

Mizuho Financial Group  
**CSR REPORT 2008**

## Group Overview

Mizuho was formed in September 2000 when Mizuho Holdings, Inc. was established as a holding company with Dai-ichi Kangyo Bank, Fuji Bank, and the Industrial Bank of Japan as its subsidiaries. Today, Mizuho Financial Group, Inc. (MHFG) serves as the financial holding company for a corporate group that offers comprehensive financial services.

The principal functions of the group's companies — banking, securities and trust management — are organized into three global groups with a view to provide faster, more precise responses to the diverse needs of customers. Mizuho Corporate Bank leads the Global Corporate Group, which provides borderless services to large companies and financial institutions. Mizuho Bank spearheads the Global Retail Group,

which provides services to small and medium-sized enterprises, middle market corporations, and individual customers. And the Global Asset & Wealth Management Group offers services that focus on asset management and investment.

Employees (Consolidated)	49,114 (Excluding non-regular and temporary employees)
Total assets (Consolidated)	¥154,412.1 billion
Capital adequacy ratio (Consolidated)	11.70%
Number of Shares Issued and Outstanding	12,376,684.66 shares
Common Stock	11,396,254.66 shares
Preferred Stock	980,430.00 shares

(As of March 31, 2008)

## Business Outline

Holding Company	
Mizuho Financial Group, Inc. (MHFG)	MHFG is a bank holding company which operates and manages its banks, long-term credit banks, specialized securities companies and other companies which the Company may own by law as its subsidiaries, and engages in business appertaining to the management and operation of such companies.

Global Corporate Group	
Mizuho Corporate Bank, Ltd. (MHCB)	MHCB focuses its business on corporate finance, primarily serving large corporations (such as those listed on the first sections of domestic stock exchanges), financial institutions and their group companies, public sector entities, and overseas corporations including subsidiaries of Japanese companies.
Mizuho Securities Co., Ltd. (MHSC)	A wholesale securities company whose main clients are institutional investors, corporations, and financial and public institutions.

Global Retail Group	
Mizuho Bank, Ltd. (MHBK)	MHBK serves primarily individuals, SMEs, and middle-market corporations, and local governments in Japan.
Mizuho Investors Securities Co., Ltd. (MHIS)	A securities company that focuses on serving the group's customers.
Shinko Securities Co., Ltd.*1	A full-service securities company that focuses on the middle and retail markets.

Global Asset & Wealth Management Group	
Mizuho Trust & Banking Co., Ltd. (MHTB)	A trust bank that possesses strengths in both the corporate and individual markets.
Mizuho Private Wealth Management Co., Ltd.	A wealth management services company
Trust & Custody Services Bank, Ltd. (TCSB)	A highly specialized trust bank focusing on the custody business.
Mizuho Asset Management Co., Ltd.*2 (MHAM)	An asset management company.
DIAM Co., Ltd.*3 (DIAM)	An asset management company.

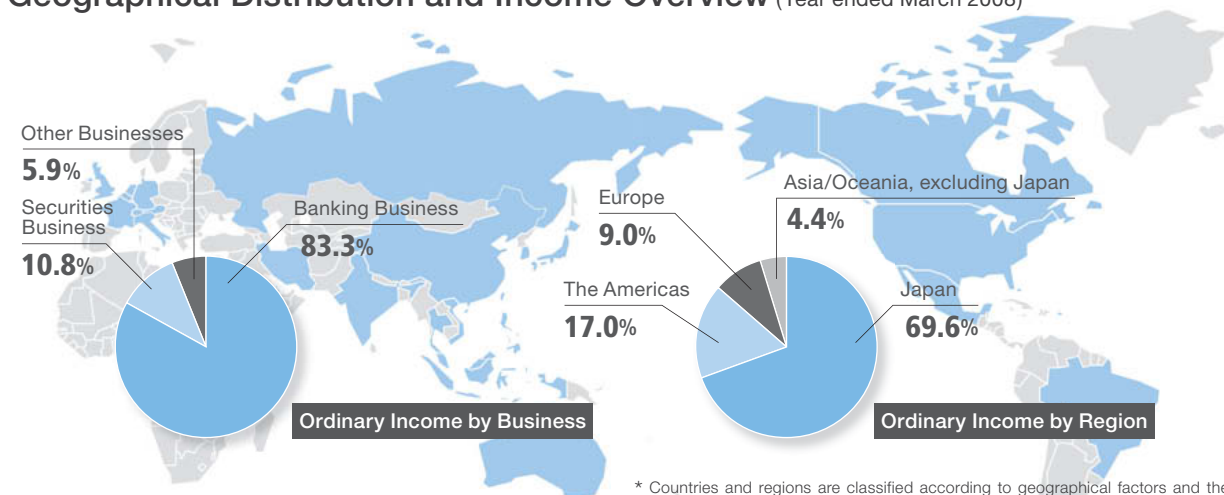
Group Strategic Subsidiaries	
Mizuho Financial Strategy Co., Ltd.	An advisory company for financial institutions.
Mizuho Research Institute Ltd. (MHRI)	A think tank.
Mizuho Information & Research Institute, Inc. (MHIR)	An IT-related company.

\*1 In light of the continuing confusion in the financial markets and the shift to paperless stock transactions through the implementation of the Electronic Share Certificate System scheduled for January 2009, the merger between MHSC and Shinko Securities has been tentatively rescheduled for May 2009.

\*2 Dai-ichi Kangyo Asset Management and Fuji Investment Management merged as of July 1, 2007 and became Mizuho Asset Management (MHAM).

\*3 DLIBJ Asset Management changed the company name to DIAM as of January 1, 2008.

## Geographical Distribution and Income Overview (Year ended March 2008)



Banking Business: Banking and Trust Banking  
 Securities Business: Securities  
 Other Businesses: Asset Management, etc.

\* Countries and regions are classified according to geographical factors and the mutual relevance of business activities.

\* "The Americas" includes Canada, the United States, etc. "Europe" refers to the United Kingdom and the countries of continental Europe. "Asia/Oceania" includes Hong Kong, Singapore, etc.

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### ● Guide to Our Website



<http://www.mizuho-fg.co.jp/english/csr/>

Our website carries various kinds of information, including the contents of this publication.

Please follow the links displayed like this:

Web

Please refer to <http://www.mizuho-fg.co.jp/english/csr/●●●/> for more detailed information.

### ● Icons

Icons are used for headers describing independent activities of individual group companies as follows.

**FG** ... Mizuho Financial Group

**BK** ... Mizuho Bank

**CB** ... Mizuho Corporate Bank

**TB** ... Mizuho Trust & Banking

**SC** ... Mizuho Securities

**IS** ... Mizuho Investors Securities

**MHAM** ... Mizuho Asset Management

**DIAM** ... DIAM

**RI** ... Mizuho Research Institute

**IR** ... Mizuho Information & Research Institute



# Working to Win the Customer's Trust and Loyalty

## Pursuing Practical CSR

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Banking is a business that is highly public in nature. Unlike banks overseas, Japanese banks offer a very reliable settlement system of bank transfers incorporated into perhaps one of the world's best social infrastructures. The systems malfunctions that we suffered at the time of our consolidation and reorganization in 2002 caused our stakeholders considerable trouble and meant that we damaged our customers' trust through our own actions. We launched our CSR initiatives because of the need to take a new, calm look at ourselves, and reconfirm the nature of our work and our role in society in order to regain the trust we had lost.

In full recognition of the highly public nature of financial institutions, Mizuho is committed to CSR activities aimed at fulfilling its social mission. Focusing on activities that make the most of what we have learned from our core business, we have settled on two priority areas — support for environmental initiatives and financial education. Each year, our CSR Report gives a full accounting of what we have been doing in these areas. We have also set up regular opportunities for dialogs with experts from outside the group, who show no hesitation in delivering tough opinions from an objective, third-party perspective. To ensure that our activities go beyond mere formalities and to encourage other practical activities, we maintain this approach at all times.

## Adopting A Financial Approach to the Vital Issue of the Environment

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The world today faces some truly serious problems, such as the issue of climate change brought about by global warming. We are devoting enormous efforts to supporting environmentally-conscious companies and projects as a means of fulfilling our role as a financial institution through business.

Since MHC B became the first Japanese bank to adopt the Equator Principles in 2003, it has steadily built up a strong record in project finance in line with this approach. We have been proactive in financing renewable energy projects such as wind power generation, and our record in this area is among the best in the world.

MHBK has started offering the "Mizuho Eco-assist" program, which provides small and middle-market companies with preferential interest rates on funding for capex that leads to environmental improvements. In response to our customers' environmental policy needs, we have organized business matching events that take the environment as their main theme and attract large numbers of visitors.

We have also adopted initiatives designed to reduce our own environmental impact, setting targets for reducing our own emissions of greenhouse gases and the like. Meanwhile, the holding company adopted a summer time scheme last year. It has also launched a campaign to reduce paper consumption and will work to ensure this is adopted throughout our group companies. Since such initiatives closely involve individual employees, they are highly proactive in nature.

## Fostering Social Common Sense through Financial Education

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Mizuho offers lectures and courses at university level. These activities go beyond simple monetary donations because we emphasize our responsibility for their content and send our own employees to give lectures. We believe they provide meaningful educational value because they combine the theoretical aspects of academia with the practical aspects of enterprise.

Moreover, we stress the importance of financial education at the entry level, i.e., for elementary and secondary school students, as well as university students. More specifically, we are involved in laying the foundations

for expanding financial education through joint research with Tokyo Gakugei University, preparing financial education textbooks and guidelines for teachers. Since education takes time, it is important to clarify our objectives and accept that it involves steady effort over the long term.

“Finance” may sound like a difficult subject, but it begins at the familiar, basic social common sense level of borrowing money and paying it back. We wish to ensure that by giving children the social common sense necessary for daily life through financial knowledge, they grow into independent adults. That is why we are committed to our financial education initiatives because we know this is something we can do particularly well.

### **Fostering Human Resources Capable of Resolving Issues and Creating New Value**

Mizuho is a comprehensive financial services business that has contacts with one million customers a day. Since we have transactions with various types of customers, we are obliged to offer organized and appropriate responses to their opinions and demands. We must continue our management efforts to listen and humbly respond to their frank opinions and comments.

We therefore consider it vital to train individual employees who can think up ways of giving top priority to our customers for themselves. We need people who can not only uncover problems but devise solutions for them, too. When employees repeatedly act on their own initiative to resolve problems, they actually create new value for society, ultimately encouraging customers to trust Mizuho and make it their bank of choice.

We shall continue to foster independently-minded personnel who can think for themselves, explore their own capabilities and develop their own opinions and their own sense of values, and act accordingly. We firmly believe that human resources with these qualities are essential for fulfilling our CSR.



Mizuho Financial Group, Inc.  
President & CEO

*T. Maeda*



Global Structured Finance Division  
Mizuho Corporate Bank

**Mikio Ishiguro**

# Converting Spain's Sunlight

## Supporting Spain's Greenhouse Gas Reduction Aims

Try to imagine a scene where solar panels covering an area three times the size of the Tokyo Dome are bathed in the brilliant sunlight of southern Europe.

Together with six colleagues at our London office, I was put in charge of a large-scale solar power generation construction project led by Sumitomo Corporation. It is due to come online in autumn 2008.

In March 2008, MHC B signed a contract to provide approximately ¥7 billion in finance, around 80% of the total project cost. I believe we won the contract because of our world-class track record in financing projects for renewable energy such as wind power, our excellent reputation for ample know-how in handling the risks specific to this sector, and our global management structure.

David Short, who headed the London end of this deal, said "our seamless, round-the-clock framework for coordinating with Tokyo was essential for ensuring this project could move forward

and greatly assisted in understanding the parties concerned in Europe and Japan within the limited time available."

The plant is being built in Tenerife, one of Europe's most famous resort islands. Tourism is the main industry on the Canary Islands which, like other EU countries, have adopted a highly proactive program to introduce wind and solar power generation as a means of reducing CO<sub>2</sub> emissions.

The new power plant will provide some 3,500 households with electricity. This is the largest project to date for which a Japanese company has served as the primary developer. Over the 25-year life of the project, it is estimated that the solar power plant will reduce CO<sub>2</sub> emissions by 180,000 tonnes compared with a coal-fired power plant.

## Overcoming Risks Posed by Nature, and Other Problems

Credit screenings for solar power generation projects are more complicated than for conventional schemes because the amount of electricity generated is at

the mercy of the weather, specifically the amount of sunlight. The screening process begins with accurate analysis of weather data, and expert judgement concerning the entire project plan is absolutely essential.

In this case, the credit screening took about three months, and the contract was ultimately signed when we concluded that the project was both creditworthy and viable, thanks to abundant sunlight, the generous long-term special preferential treatment available for the project from the government, the adoption of highly reliable solar panels manufactured by a Japanese manufacturer, and the excellent cooperation extended by the local community.

I've wanted to be involved in environment-related business ever since my student days, so I was very proud to be involved in this project, which brought together Mizuho, Japanese technology and business development capabilities in an European country that is putting a great deal of effort into promoting natural energy — an ideal combination.

I think my colleagues in London all thought the same. Looking ahead, I plan to provide proactive support for further projects that utilize solar power generation and other renewable energy sources.



David Short, Europe Structured Finance Division  
Mizuho Corporate Bank



Bird's-eye view of the solar power generation plant in Tenerife (under construction)



into Clean Energy







Umeda Corporate Banking Department  
 No. 2 Corporate Banking Team  
 Mizuho Bank  
**Mitsutaka Mori**

Special Section Financial Education at the Front Line

# Wanting Students to Learn about the Mechanisms of Society through the Way Money Works





### Encouraging interest in money

I don't want them simply to learn about the role of money and how finance works, but to discover something new, such as the importance of studying and working.

In summer 2007, we received a request from Kansai University Daiichi Junior High School to provide financial education for 9<sup>th</sup> graders as part of their integrated study course. We were a bit nervous to begin with because it was our first experience of such things. However, we were soon persuaded by the enthusiasm of the teachers, who said they would like their students to gain an interest in the workings of society through the medium of money, an essential part of our daily lives. In the end, we mobilized the entire MHBK Umeda Branch.

We gave three two-hour lessons, six hours in total. Starting with an explanation of the mechanisms of deposits, lending, remittances, changing money and other core operations of any bank, including Mizuho, we went on to teach the students about the way money moves in society, centered on banks. At the end of the course, the students and young Mizuho employees were able to spend time together exchanging views. We used various ideas for giving the students easy to understand explanations and awaken their interest, including creating a replica of ¥100 million in notes, and giving them a chance to experience the traditional

Japanese form of manual banknote counting. To emphasize the importance of "trust" or "credit" when lending money, we asked our students to consider the kind of people they would lend money to if they were in the lender's position.

### We Wanted them to Understand that there are More Important Things than Money

Touching on the "debit" aspect of money, we strove to teach them that although money is very important, it also carries risks, while there are some things that are more important than money.

After the lessons were over, the students were asked to write down their impressions, which included "I feel very familiar with banks" and "money is important but a bit scary, too." Reading these, we believe our message got across and that they understood very well.

The experience also gave us the opportunity to reflect on what makes work worthwhile, and on how well we are doing as members of society, among other things.



Exchanging views with young Mizuho employees

## Real-life Financial Education Gives Students a Real Sense of What Society is Like.

We started from the idea of giving our students a chance to listen to working adults who are currently at the front line in society about workings of the society today.

Mizuho Bank response was perfect. It gave our students a great opportunity to consider how the news they see on TV ties into the real society in which they live, and how society operates. I also believe the chance to interact with bank employees was an invaluable experience for our students because they normally don't have many opportunities to meet ordinary working people. I very much hope we can win Mizuho's continuing cooperation in taking this project further forward.



Chief of School Affairs  
Kansai University  
Daiichi Junior High School

**Takashi Onishi**

# CSR Basic Approach

Mizuho has heavy social responsibilities and a public mission to fulfill as Japan's leading comprehensive financial group with worldwide operations centered on banking. This section provides an overview of the group's activities in the area of corporate social responsibility.

## Basic Approach

As business activities expand in scope and markets become increasingly globalized, we at the Mizuho group are required to give greater consideration to social and environmental initiatives. We position our CSR initiatives at the core of our corporate activities because we believe they are essential if we are to coexist with society and ensure mutually sustainable development.

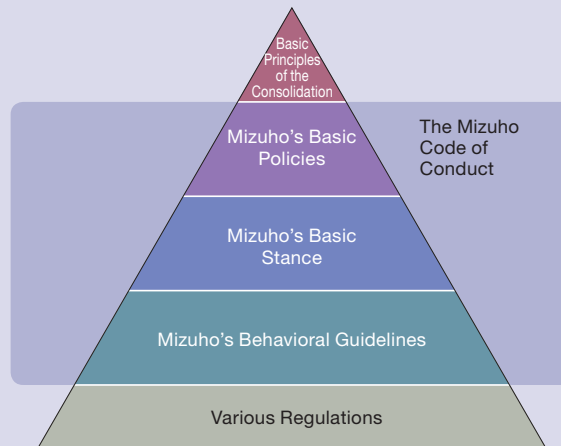
In addition to fulfilling the responsibilities inherent in our core business activities, we will pursue corporate activities that will fulfill our social responsibilities through initiatives associated with our core business.

## The Mizuho Code of Conduct

Drawing on the Basic Principles of Consolidation, we compiled the Mizuho Code of Conduct when we were established to serve as the basic philosophy underpinning our CSR activities.

The Mizuho Code of Conduct lays down concrete rules that must be observed in all business and operational decisions and actions.

Mizuho's Basic Policies govern the group as a whole, Mizuho's Basic Stance delineates its approach to different types of stakeholders, and Mizuho's Behavioral Guidelines prescribe more specific guidelines concerning the conduct of group officers and employees.



### Mizuho's Basic Policies

<b>1 Social Responsibility and Public Mission</b>	<ul style="list-style-type: none"> <li>As Japan's leading comprehensive financial group, we will remain conscious of the importance of our social responsibilities and public mission at all times, and dedicate ourselves to sound management based on self-responsibility.</li> <li>We will encourage close communications with society, and work to ensure that our corporate activities conform to social common sense.</li> </ul>
<b>2 The "Customer First" Principle</b>	<ul style="list-style-type: none"> <li>We will place our customers first and ensure that they are provided with the best possible services at all times.</li> <li>We believe that earning the customer's trust is the basis for winning the trust of shareholders, the local community and all other stakeholders.</li> </ul>
<b>3 Complying with Laws and Regulations</b>	<ul style="list-style-type: none"> <li>We are committed to strict observance of all laws and regulations as we go about our corporate activities in a fair and honest manner in conformance with the norms accepted by society.</li> <li>We will comply with international rules, obey the laws of different regions around the world, and respect their customs and cultures.</li> </ul>
<b>4 Respect for Human Rights</b>	<ul style="list-style-type: none"> <li>In addition to ensuring that we respect everyone, including our customers, executives and employees, and value fundamental human rights in all our activities, we will work to create a corporate culture in which the spirit of respect for human rights is all-pervasive.</li> </ul>
<b>5 Disavowal of Anti-Social Elements</b>	<ul style="list-style-type: none"> <li>We firmly state our opposition to the activities of any entity that threatens the rule of law and public order or safety.</li> </ul>

(Text excerpts only)



## CSR Priority Areas

Mizuho believes that financial institutions are expected to shoulder three forms of CSR: (1) Ensure sound management practices in order to maintain orderly credit conditions and protect depositors; (2) Offer finance that shapes the future; and (3) Enhance the quality of corporate management to achieve substantial progress in CSR activities. We have taken up the challenge of tackling these three forms of CSR in five priority areas.

The first of these is our “intrinsic business responsibility” to ensure the practice of responsible financial investment in order to maintain orderly credit conditions and protect depositors. The second is “environmental initiatives,” which

means using our characteristics as a financial institution to contribute to the resolution of environmental issues. The third is “support for financial education” to ensure that the know-how we have acquired through our core activities is made available to society for its own use. We are committed to making the most of our core activities to contribute to the healthy nurturing of the next generation who will be responsible for society’s future. The fourth is “enhanced corporate governance,” which means building a corporate governance framework that is premised on maintaining fairness and integrity in our corporate activities. The fifth and final priority area is “highly responsive communications.” This means taking up the challenge of focusing on dialog with stakeholders in order to ensure transparency and trust as a company.

Maintain orderly credit conditions and protect depositors	<b>Intrinsic Business Responsibilities</b>	<ul style="list-style-type: none"> <li>● Maintain trust and protect depositors.</li> <li>● Contribute to the healthy and sustainable development of the global economy by working to facilitate financing and making responsible loans and investments.</li> <li>● Earn the unwavering trust of customers and society as a whole by faithfully carrying out business activities through sound and appropriate management.</li> </ul>	→ P12
Finance that Shapes the Future	<b>Environmental Initiatives</b>	<ul style="list-style-type: none"> <li>● Recognizing that restricting and reducing impact on the global environment is a shared challenge, provide financial services in line with environmental policies to prevent global warming, etc. and reduce our own consumption of resources.</li> </ul>	→ P14
	<b>Support for Financial Education</b>	<ul style="list-style-type: none"> <li>● Support financial education for the next generation on whom society’s future depends to enable them not only to acquire financial awareness but also to cope with the issues they will face in their daily lives.</li> </ul>	→ P20
Enhance the quality of corporate management to achieve substantial progress in CSR activities	<b>Enhance Corporate Governance</b>	<ul style="list-style-type: none"> <li>● Establish a corporate governance structure capable of earning a reputation for excellence in global financial and capital markets by maintaining fairness and integrity in our corporate activities.</li> </ul>	→ P24
	<b>Highly Responsive Communications</b>	<ul style="list-style-type: none"> <li>● Realize responsive communications with stakeholders by further promoting information disclosure to ensure greater transparency in corporate activities.</li> </ul>	→ P28

Mizuho’s Basic Stance
1 Basic Stance toward Customers
2 Basic Stance toward Shareholders
3 Basic Stance toward the Community
4 Basic Stance toward Employees
5 Basic Stance toward Suppliers and Competitors
6 Basic Stance toward Political and Governmental Officials

(Heading excerpts only)

Mizuho’s Behavioral Guidelines
1 Maintaining Order in the Workplace
2 Prohibition on Private Use of Corporate Assets
3 Appropriate Management of Information
4 Prohibition on Conflicts of Interest
5 Temperate Private Behavior

(Heading excerpts only)

# Promoting Sound, Community-conscious Management

## Intrinsic Business Responsibilities

In order to fulfill its public mission, Mizuho is promoting sound management designed to contribute to the healthy and sustained development of the global economy by facilitating financing and making responsible investments and loans, while maintaining its creditworthiness and ensuring that depositors are protected.

### Overview of Fiscal 2007 Initiatives

● In order to protect depositors and maintain orderly credit conditions, we have promoted sound management that is well aware of the financial institution's public nature. Although the turmoil in the financial markets stemming from the US subprime loan issue resulted in a year-on-year decline in Consolidated Net Income, our Consolidated Capital Adequacy Ratio remained at a satisfactory level and we maintained a high level of financial health.

## The Public Nature of Financial Institutions

### The Functions of Financial Institutions

Financing takes two forms: direct financing — where the provider makes funds available to the recipient directly — and indirect financing — where an institution existing between the two borrows funds from one and lends them to another. Securities companies are the main players in direct financing, while banks are the main players in indirect financing. In recent years, a new form of financing known as market-oriented indirect financing has come into being halfway between direct and indirect financing. The

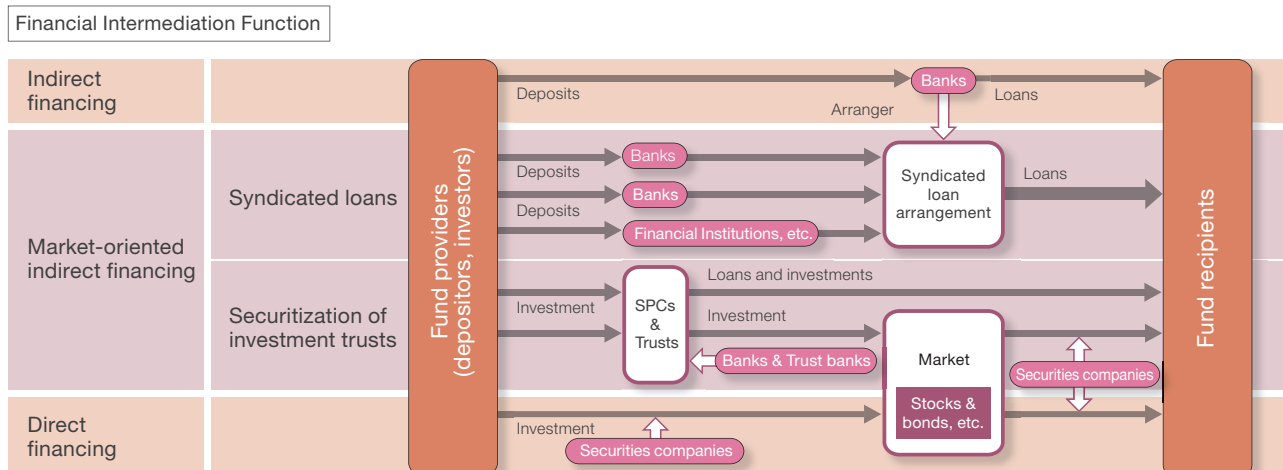
functions that facilitate the flow of money between fund providers and recipients are known collectively as the “financial intermediary functions.”

Finance also fulfils a “settlement function.” Settlement refers to the act of paying consideration for purchases of goods and services and usually takes the form of bank transfers, credit card payments, checks or bills. Since these settlements take place via accounts at banks and other entities, they are considered one of the functions offered by financial institutions.

### The Characteristics of Financial Institutions

Of the various financial institutions in existence, ordinary people are most familiar with banks, which provide the fund intermediation function and deposit services, and offer settlement functions. If a bank runs into business difficulties, the impact extends to corporate borrowers and other customers as well as depositors. Moreover, since transactions between banks involve enormous amounts of funds, the failure of a single bank may trigger a chain reaction in which several other banks also fail.

In order to protect depositors and maintain orderly credit conditions, bank managements are required to maintain a healthy financial base to a much greater extent than the managements of other companies.





## Promoting Sound Management

Bearing in mind the public nature and influence of financial institutions, we are promoting sound management in order to maintain orderly credit conditions and ensure protection for depositors.

### Summary of Income Analysis

Consolidated Net Business Profits of MHFG significantly decreased compared with the previous fiscal year to ¥511.1 billion. This was mainly because Mizuho Securities recorded losses (a decrease of ¥479.9 billion in Consolidated Ordinary Profits compared with the previous fiscal year), as it suffered from the dislocation in the global financial market stemming from the US subprime loan issue.

Meanwhile, Net Business Profits of MHBK, MHC B and MHTB (¥861.7 billion) increased by ¥17.1 billion compared with the previous fiscal year, which was higher than the original estimates in May 2007. This was because market-related income was strong, while income from Customer Groups decreased due to intensified competition among banks and other factors.

Consolidated Net Income of MHFG decreased to ¥311.2 billion by ¥309.7 billion compared with the previous fiscal year. This was mainly due to the impact of the global financial market dislocation stemming from the US subprime loan issue, which was partially offset by a

rebound in Net Gains related to Stocks.

The total impact of the market dislocation on our consolidated P&L in fiscal 2007 was a loss of approximately ¥645.0 billion.

### Financial Soundness

MHFG's consolidated Capital Adequacy Ratio (BIS Standard) remained at a satisfactory 11.7%, allowing the group to retain a high level of financial soundness.

(%)

	FY2006 results	FY2007 results
Basel II Capital Adequacy Ratio (Consolidated)	12.48	11.70
Tier 1 capital ratio	6.96	7.40

### Disciplined Capital Management

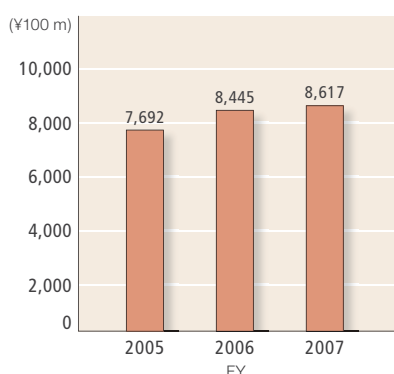
#### ● Issuance of "Non-Dilutive" Preferred Debt Securities

Mizuho issued ¥274.5 billion and ¥303 billion of preferred debt securities through the group's overseas special purpose subsidiaries in January, 2008 and July, 2008, respectively.

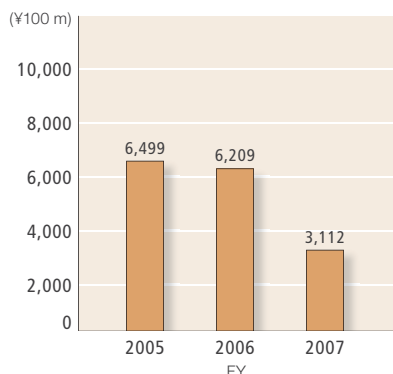
#### ● Repurchase Own Shares

On May 15, 2008, the Board of Directors resolved to set up a limit for repurchasing own shares (common stock) up to a maximum of ¥150.0 billion.

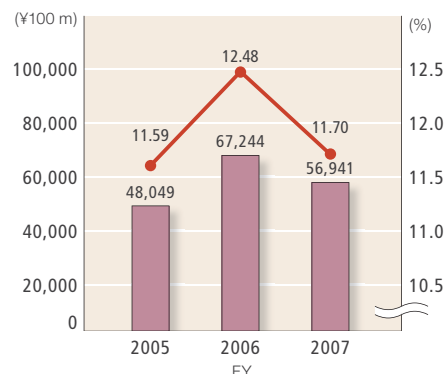
Net Business Profits\*1



Consolidated Net Income



Consolidated Net Assets and Consolidated Capital Adequacy Ratio (BIS Standard)



\*1 Net Business Profits are the aggregated total for MHBK, MHC B and MHTB (Fiscal 2005 figure is the aggregated totals for the financial subsidiaries for corporate revitalization, excluding ¥120 billion in dividends from said financial subsidiaries)

\*2 The figure for fiscal 2005 is on a Basel 1 basis.

### Action Plans

We will continue to maintain our financial soundness and sustain and enhance our capital base to support our growth, in order to fulfill our public mission.  
We will address the potential dilutive effects on earnings per share, aiming to complete the process in about two years, by establishing additional repurchase limits and repurchasing and cancelling our own shares.

# Environmental Initiatives

Recognizing that maintaining and preserving the environment are the basis of sustained social and economic development, Mizuho has drawn up its own basic policies for the environment. In addition to tackling these issues in our own business activities, we have adopted a wide range of environmental initiatives through our financial products and services.

## Basic Stance toward the Environment

- We are aware that it is our social responsibility to take into account environmental issues as we try to maintain a balance between economic development and environmental preservation.
- In compliance with laws and ordinances relating to the environment, we will engage in energy and resource conservation efforts that include separating and collecting garbage by type, and using recycled materials.
- In addition to supporting environmental protection organizations and our customers' programs for dealing with environmental issues, we will offer financial products and services that contribute to environmental preservation.

## Overview of Fiscal 2007 Initiatives

- We strengthened our range of products and services for supporting customers' environmental initiatives. We were also proactively involved in providing finance for renewable energy projects and other environmental business. At the same time, we worked to achieve the targets we have set for reducing the environmental impact of our own offices.

## Basic Approach

Environmental preservation is vitally important for the survival of humanity and a vast range of other living creatures, and needs to be tackled at the global level.

Based on this awareness and in the belief that the maintenance and preservation of the environment are the foundations for the sustained development of society and the economy, Mizuho has laid out its basic policies for the environment in The Mizuho Corporate Code of Conduct. The group is thus taking an integrated approach to the environment by both reducing the environmental burden it

generates through its own business activities and tackling the issue through its core business, including its financial products and services.

More specifically, the Corporate Communications Division of the holding company MHFG has established a CSR Promotion Office which collects information pertaining to environmental initiatives, formulates plans, submits proposals to the relevant divisions, and provides employees with CSR training that covers the environment as well.

The key group companies have also appointed CSR Promotion Officers. Group companies make use of expert knowledge pertaining to environmental problems and related channels as they endeavor to reduce their environmental footprint through various activities while working to strengthen intra-group ties.

They also engage in investment activities that take into consideration societal, environmental and economic factors, participating in several international initiatives designed to contribute to the realization of a sustainable society, including the UNEP Finance Initiative (UNEP FI<sup>\*1</sup>), the UN Principles for Responsible Investment (PRI<sup>\*2</sup>) and the United Nations Global Compact<sup>\*3</sup>.

\*1

### The UNEP Finance Initiative (UNEP FI)

FG

Aims to identify, promote and realize the adoption of best environmental and sustainability practice at all levels of financial institution operations.



\*2

### The UN Principles for Responsible Investment (PRI)

TB

Aims to ensure that institutional investors and pension funds, etc., incorporate environmental, social, and corporate governance (ESG) issues into their decision-making processes.



\*3

### UN Global Compact

FG

Encourages companies and civil society organizations from all over the world to support and implement ten universal principles in the areas of human rights, labor, the environment and anti-corruption.





## Environmentally-friendly Financial Services to Support Business

### Supporting Environmental Businesses through Finance

#### ● Wind power generation project **CB**

MHCB is proactively engaged in arranging finance and providing advisory services for wind power and other forms of natural energy generation. One example is a wind power generation project in Higashidoori-mura, Aomori Prefecture led by Eurus Energy Holdings Corporation, one of Japan's largest wind power generation firms. This marked the eighth time that MHCB arranged finance for a domestic wind power generation project.



Eurus Hitz Kitanosawa Cliff Wind Farm (Higashidoori-mura, Aomori Prefecture)

#### ● Finance for Reuse Business **BK**

MHCB provided finance to support the reuse business of Nippon Copack Inc., a coat hanger manufacturer. Nippon Copack Inc. has devised an original system for standardizing, recovering and reusing discarded hangers. Some 5,500 mass-retailers and department stores all over the nation make use of the system.



Hanger reuse operations at Nippon Copack Inc.

#### ● Finance for Recycling Business **BK**

MHCB is actively involved in financing recycling and other environmentally-conscious businesses. It provided finance for Ecos Factory Corporation when it set up its plastic container and packaging recycling business. Ecos Factory Corporation washes and pulverizes used containers and packaging for reuse in logistics pallets and the like under the provisions of the revised version of The Containers and Packaging Recycling Law, which came into force in

April 2007. MHCB provided funding for the construction of a large new processing facility.



Ecos Factory Corporation's recycling plant

#### ● Finance Scheme to Support SMEs' Environmental Programs **BK**

MHCB provides support from an interest rate perspective for SME clients who are proactively engaged in environmental programs. For example, when Ashina Transit K.K. of Hiroshima Prefecture introduced buses that comply with exhaust gas emission standards, MHCB provided finance through the "Mizuho Eco-assist" program, which offers financial support for the introduction of environmentally-friendly facilities at preferential interest rates.



One of Ashina Transit's low-emission buses

#### Environment-related Funding Provided (as of March, 2008) **BK CB**

	Number	Balance (million yen)
Environment-related project finance	50	70,407
Wind power generation	27	45,046
Hydroelectric power generation	3	3,713
Biomass power generation	1	4,021
Projects for the proper disposal of waste	9	13,170
Recycling business	1	649
Others	9	3,808
Finance for environmentally-conscious companies	49	2,323
Finance for environment-related facilities	4	206
<b>Total</b>	<b>103</b>	<b>72,936</b>

\* Outstanding foreign currency-denominated finance converted into yen at the exchange rates prevailing on March 31, 2008.

## Total Support for Emissions Trading

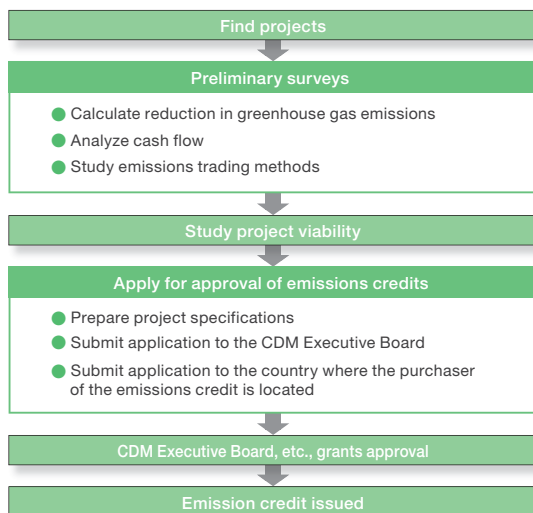
### ● Providing Total Support — from Creation of Emissions Credits to Trading Contracts **IR**

MHIR provides total support relating to the emissions trading business.

The Kyoto Protocol introduced three mechanisms as additional methods for meeting greenhouse gas emission reduction targets — emissions trading, Joint Implementation (JI) and the Clean Development Mechanism (CDM). However, the processes for setting up emissions trading deals under JI and CDM are complicated. MHIR provides support for interested parties by finding projects that allow the creation of emissions credits through greenhouse gas reductions, carrying out preliminary surveys, matching up companies in Japan that intend to become purchasers of the created emissions credits, submitting applications to the UN and the countries involved, and facilitating contracts.

One example of the support it provided in fiscal 2007 involved cooperation with a state-owned enterprise (SOE) in Poland in setting up a deal whereby the Chugoku Electric Power Co., Inc. purchased emission credits created by an electric power generation project that uses methane (a greenhouse gas) generated by coal mines owned by the SOE in southern Poland.

#### The Emissions Trading Mechanism



\* CDM: Clean Development Mechanism.  
Participants in the project share the emissions credits.

### ● Supporting Emissions Trading Deals **CB**

MHCB acts as an intermediary in emissions credit deals, selecting credits that best match the needs of its customers from among those held by emissions credit traders around the world, and providing support until the deal is done.

### ● Responding to the Need to Acquire Small Emissions Credits **TB**

Emissions trading is highly specialized and can be complicated. MHTB has developed a mechanism whereby it accepts entrustment of issued emissions credits from

trading companies and others who hold them, and sells them on as trust beneficiary rights. The main advantage of this approach is that it helps satisfy demand from entities that need to acquire emissions credits on a small scale.

## Consulting and Research Services Relating to Environmental Issues **RI IR**

MHIR and MHIR provide private enterprises and administrative agencies with extensive support through wide-ranging consulting and survey services pertaining to global warming and other environmental issues, resources and energy.

#### Number of consulting, survey and research projects implemented

(Cases)

Breakdown	FY2007
Environmental management* <b>RI IR</b>	172
Global warming <b>RI IR</b>	115
Energy <b>IR</b>	66
Chemical substances, recycling-based society, etc. <b>IR</b>	57
Publication of other reports, etc. <b>RI IR</b>	107

\* Of the environmental management cases handled, 126 involved duplication of global warming, energy and chemical substance issues.

## Backing up Environmental Improvement through Business Matching **BK**

MHBK started offering business matching services to support environmental programs in fiscal 2007. It organizes consortia of environment-related manufacturers and service companies who are clients of MHBK and MHCB, and acts as an intermediary introducing such companies to other customers who are interested in making environmental improvements.



At the environmental matching event

## Promoting Socially Responsible Investment (SRI) **DIAM**

The SRI approach to making investments in companies involves evaluations of ethical issues and approaches to environmental problems as well as the outlook for profit and growth. DIAM develops, sets up and manages SRI funds.



## Initiatives to Reduce Environmental Risk

### ● Adoption of the “Equator Principles” CB

MHCB adopted the Equator Principles in October 2003, becoming the first Japanese bank to do so. In line with the principles, it provides project finance that takes into consideration the impact of the projects on the regional environments and societies of the regions under development.

Implementation of the Equator Principles		(Cases)	
Category	Commentary	FY2006	FY2007
A	Projects with potentially significant adverse social or environmental impacts that are diverse, irreversible or unprecedented.	1	3
B	Projects with potentially limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.	37	50
C	Projects with minimal or no social or environmental impacts.	1	1

### ● Carbon Accounting Initiatives CB

MHCB uses its own specially developed carbon accounting method for calculating and disclosing concrete figures for CO<sub>2</sub> emission reductions associated with project finance deals.

### ● Surveys of Environmental Risk Associated with Real Estate-related Business TB

MHTB confirms whether there is any environmental risk associated with real estate-related business. In the real estate securitization business, for example, it works to eliminate environmental risk by confirming the existence or otherwise of factors that may impact the environment, such as the presence of soil contamination, asbestos or PCB in real estate entrusted to it.

## Introducing Environmental Initiatives

### ● Participation in Eco-Products 2007

MHFG took part in Eco-Products 2007, an exhibition with an environmental theme held at Tokyo Big Sight exhibition center in December 2007. Using panels and other displays to introduce the group’s environmental initiatives, the exhibition attracted a large number of visitors.



### ● Environmental Seminar BK CB TB SC IS IR



The Mizuho Environmental Seminar

Six group companies jointly organized the Mizuho Environmental Seminar in Nagoya to provide customers with ideas on environmental initiatives. In its role as secretariat for a network of financial institutions that have adopted the Equator Principles, MHCB also participates proactively in various symposia to promote broader understanding of the principles.

### Using the EPs, I Want to Further Broaden the Framework which Links Environment and Finance



Head of Sustainable Development Department  
Mizuho Corporate Bank  
Osamu Odawara

I first heard about initiatives in the west to link the functions of financial institutions and environmental conservation when I participated in a seminar as part of my work. As a result, I started studying and played a key role in MHCB’s adoption of the Equator Principles.

One of a financial institution’s social responsibilities is to look out for projects where the flow of funds can work for the benefit of the global environment. The Equator Principles serve as standard criteria, prescribing mechanisms for evaluating the environmental risk posed by projects funded by financial institutions. I now serve as the only Asian on the 12-bank Steering Committee representing the financial institutions who have adopted the Equator Principles, and am expected to play a role in extending the framework to the rest of the world.

I have been traveling overseas checking deals for which MHCB has provided project finance, and am determined to ensure that the spirit of the principles is properly applied in operations.

## Group Companies Promote Initiatives to Reduce the Environmental Impact of Their Offices

### Cutting Electricity Consumption to Curb Greenhouse Gas Emissions

We are working proactively to achieve our 2012 target of reducing greenhouse gas emissions at ten key business facilities\* by 20% of the fiscal 2002 figure.

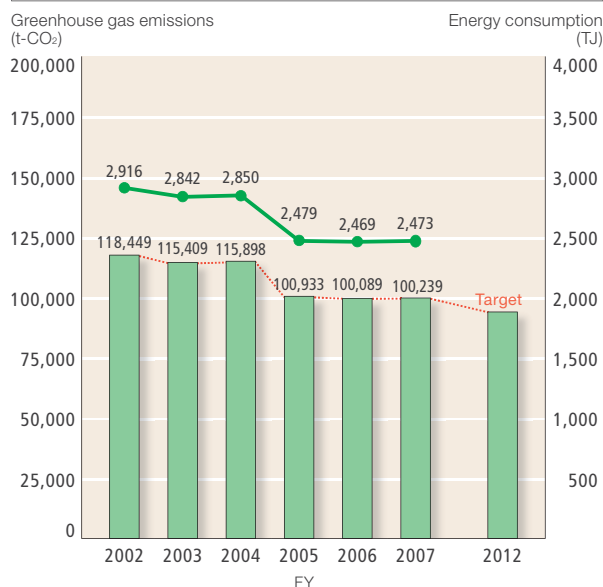
Electricity consumption accounts for 93% of the energy consumed at these key business facilities. For this reason, electric power-saving initiatives are very important. In addition to installing power-saving air-conditioning and lighting facilities, and upgrading to higher-efficiency machinery and equipment, we are adopting rigorous initiatives to ensure appropriate operations and management. We are also adopting measures to fine-tune air-conditioning temperatures and lighting use.

#### Target for Reducing Greenhouse Gas Emissions (fiscal 2012)

- Reduce Greenhouse Gas Emissions at Ten Key Business Facilities by 20% of the Fiscal 2002 Figure

\* The ten main business facilities are: MHBK Head Office, MHBK Otemachi Head Office, MHBK Administration Center 1, MHBK Administration Center 2, MHBK Administration Center 3, MHBK Information Center, MHCB Head Office, MHCB Information Center, MHTB Head Office, and MHIR Information Center.

Trends in Energy Consumption and Greenhouse Gas Emissions at Ten Key Business Facilities



\* Greenhouse gas emissions are calculated in accordance with "the CO<sub>2</sub> Emission Reduction Program" of the Tokyo Metropolitan Environmental Security Ordinance.

### Initiatives Towards the Creation of A Recycling-based Society

As part of its energy and resource conservation efforts aimed at the creation of a recycling-based society, MHFG has formulated Administrative Guidelines for the Environmentally Responsible Purchasing of Supplies, etc., and set a green purchasing ratio target (paper and stationery) of at least 85% by FY2010. We are also switching to environmentally-friendly stationery and consumables. Paper is one of the resources that financial institutions use most, and we have adopted a target of recycling over 95%

#### Green Purchasing Ratio Targets (Paper and Stationery) and Paper Recycling Targets (fiscal 2010)

- Group Green Purchasing Ratios Paper, stationery: Minimum 85%
- Paper recycling ratios at ten main business facilities: Minimum 95%

Paper Recycling Ratios at Ten Key Business Facilities

FY	2002	2003	2004	2005	2006	2007
Waste paper volume (t)	4,036	3,305	3,266	3,222	3,226	2,986
Waste paper recycling volume (t)	3,476	3,006	3,146	3,057	3,018	2,878
Recycling ratio (%)	86.1	90.9	96.3	94.9	93.6	96.4

of the paper that we use at our ten key business facilities. We also use duplex copying and paperless office technology, such as electronic document storage, projectors and scanners, and are reducing our production of conference handouts and internal documents.

Additional efforts include separated collection of cans, glass bottles and PET bottles, reduction of waste and the promotion of recycling, and the installation of water-conservation facilities to reduce water consumption.

Green purchasing ratio (stationery, paper)

		FY2007*
Stationery	Total Purchases of Green Product Items Stipulated by the Group (¥m)	311
	Of which green purchases (¥m)	271
	Green purchasing ratio	87.2%
Paper	Volume purchased (t)	3,824
	Of which green purchases (t)	3,190
	Green purchasing ratio	83.4%

\* The figures here are for April 2007 through January 2008, considering the influences of cases of fake recycled paper.

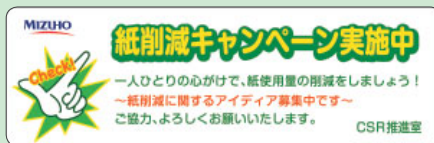
Water Usage at Ten Key Business Facilities (tap water)

FY	2002	2003	2004	2005	2006	2007
Water usage volume (thousand m <sup>3</sup> )	719	691	684	650	632	624

## Domestic Energy- and Resource-Saving Activities

### ● Campaign to Establish Paper-saving Habits **FG**

MHFG initiated a campaign to reduce paper consumption in March 2008. We are encouraging duplex copying and the use of A4-size paper instead of A3-size paper. We have also introduced an electronic application system for in-house managerial decision requests and reports.



Sticker promoting reductions in paper consumption

### ● Adoption of Daylight Saving Time **FG**

In August 2007, we became the first mega-bank to adopt daylight saving time on a trial basis for some 300 employees.

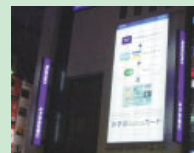
**FG BK CB TB IS MHAM RI IR**

### ● Proactive Introduction of Low-emission Vehicles

As of March 2008, 818 of the vehicles used by eight group companies in the Tokyo Metropolitan Area (69% of the total) were low-emission vehicles as classified by the Tokyo Metropolitan Government. In addition to progressively switching over to low-emission vehicles, we continue to encourage drivers to use eco-driving techniques.

### ● Dimming Ad Lights in Cooperation with the “Lights Down” Campaign **BK**

On June 24, 2007, MHBK turned off the lights for the wall ad at its Shibuya Branch to cooperate with the “Black Illumination 2007” event held by the Ministry of the Environment as part of its activities to reduce CO<sub>2</sub> emissions.



The illuminated ad



Without lighting

## Overseas Examples **CB**

### The Americas

The New York Branch of MHCBC held a campaign to halt use of disposable cups as part of its efforts to conserve resources.

### Europe

MHCB's London Branch is promoting the wider use of recycling bins for different types of garbage and working to educate employees by producing posters



The London Branch's recycling promotion poster

that encourage recycling. In January 2008, it distributed natural cotton “Goody Bags” containing eco-stationery and fair trade products to its employees.

### Asia

MHCB's Ho Chi Minh City Branch operates its air-conditioning facilities on an energy conservation basis. Its Guangzhou Representative Office and the Tianjin Branch of its local subsidiary Mizuho Corporate Bank (China) are also working to reduce paper consumption. Guangzhou Representative Office makes extensive use of double-sided printing, while the Tianjin Branch sends handouts for study sessions and the like by e-mail.

## Action Plans

We shall continue to reinforce our line-up of products and services to support customers who have adopted a proactive approach to environmental management. We shall also redouble our efforts to reduce the environmental impact of our offices.

## Web

Please refer to <http://www.mizuho-fg.co.jp/english/csr/environment/> for more detailed information.



# Support for Financial Education

## For the next generation

Financial education enables the children of the next generation to acquire a knowledge of money and finance that will give them the ability to function well in society.

Mizuho utilizes the knowledge and know-how that we have accumulated through our core business activities to support such education.

### Overview of Fiscal 2007 Initiatives

- Through joint research with Tokyo Gakugei University, we put out information concerning the need for financial information through public lectures, and gave practical lessons. We have also started research in the area of special support education.
- We extended our lectures and courses at university level to include the Faculty of Economics, Kyoto University, and the Faculties of Law and Economics, the University of Tokyo.

### Basic Approach

Three years have passed since 2005 was designated the first year of financial education in response to strong calls for such education to deal with the shift from savings to investments and the increase in the number of financial crimes. Since then, these calls have intensified, asking for

measures to enable people to gain a deeper understanding of the mechanisms of finance from an early age so that they can grow into independent adults capable of dealing with our increasingly complex, globalizing society.

Against this societal background, Mizuho supports the next generation, who will be responsible for society's future, through financial education that utilizes the wide-ranging practical knowledge and know-how about finance that we have accumulated through our core business activities.

We have been researching jointly with Tokyo Gakugei University concerning financial education at the elementary and secondary school levels. We have also established programs to offer lectures and courses at the higher education level. We dispatch officers and employees with ample hands-on expertise from throughout the group to give lectures at universities.

## Financial Education in the Areas of Elementary and Secondary Education — Sharing Know-how through Joint Research with Tokyo Gakugei University

Since April 2006, Mizuho has been engaged in joint research on financial education with Tokyo Gakugei University, one of Japan's leading teacher training centers.

Financial education does not deal solely with matters that relate directly to finance, such as helping people understand how to use financial services properly, or prevent multiple indebtedness or financial crimes. Its role extends further than this, from fostering a sense of morality about credit and other aspects of life in society to encouraging a philosophy of life and nurturing work values from a career education perspective. Through their joint research, Tokyo Gakugei University and Mizuho have made the most of their respective know-how in various initiatives

aimed at expanding financial education in schools and in society, and improving its quality.

One such initiative was the development of educational tools to support lessons in financial education in elementary and secondary schools. It started with the creation of the textbook "Working with Money" and a glossary entitled "Money and Our Lives." This was followed in 2007 with the publication of a guideline for teachers that follows the content of the textbook.

Other initiatives include public lectures aimed primarily at teachers, and practical lessons given at elementary and secondary schools by Mizuho officers and employees serving as guest teachers. Drawing on the network we have built up in the world of education through these initiatives, we plan to engage in various activities going forward.



The joint Mizuho-Tokyo Gakugei University booth at the Industry-Academia Liaison Promotion Conference



Textbook



Glossary



Guideline

## Broadening Support for Financial Education

### ● Public Lectures for Teachers

We have been holding public lectures for teachers since 2006. In fiscal 2007, we held lectures entitled “Let’s Talk About Money in the Classroom” at Kyoto University in August and at Tokyo Gakugei University in November. Over 100 people participated in each of these events.



### ● Cooperation in Professional Seminars Sponsored by Boards of Education

The boards of education of Kawasaki City in Kanagawa Prefecture, and Tokyo Metropolitan Area respectively sponsored seminars for teachers in August 2007. From the perspective of returning to society the benefits of their research to date, Mizuho and Tokyo Gakugei University held lectures and simulated lessons that took as their theme “Positions for Financial Education in Social Studies.”

### ● Putting out Information through a Newsletter

We publish a regular newsletter called the “Financial Education News” for teachers who participate in our public lectures or get involved in our practical lessons. We also endeavor to use it for sharing information on the results of joint research and future schedules.

## Offering Workplace Experiences and Financial Education Lessons FG BK CB TB

We cooperate in offering pupils of elementary and secondary schools workplace experiences that give them the chance to try actual work for themselves and gain firsthand knowledge of what it means to work. We also help when it comes to giving financial education lessons in the classroom.

### ● Giving Students an Opportunity to Greet Customers BK

As part of its 70<sup>th</sup> anniversary celebrations, MHBK’s Otsu Branch invited students from the local Otsu Central Elementary School to participate in a workplace experience event. Twenty-six 6<sup>th</sup> graders from the school visited the branch, where staff explained the bank’s operations, showed them round, and gave them the opportunity to greet customers in the lobby.



### I Was Astonished to See how Seriously the Children Approached Everything

When we showed them round the branch, they really liked those places that they cannot usually access, such as behind the ATM corner. Even though I said we’d move on, some of the students were so fascinated they



Customer Service Department  
Otsu Branch  
Mizuho Bank  
Mayumi Okamoto

were reluctant to move. I guess they must have done some preparation beforehand at school, but I was really surprised at the pertinent questions they asked about bank operations.

At the end, we had them greet customers near the branch entrance. They did very well, believe me.

Several teachers and parents asked us if we could do it again next year, saying the children were really happy when they got back. I think this was a great opportunity to show these students our workplace, and would like to do it again in the future if there’s any demand.

## Dispatching Officers and Employees with Hands-on Expertise to Give Lectures and Courses at Universities

Mizuho started giving lectures and courses at universities in earnest in fiscal 2006.

Based on the experience gained from lectures and courses given in the past, we dispatch highly experienced officers and employees from across the group as lecturers who can draw on the practical knowledge Mizuho has accumulated

from offering comprehensive financial services in areas like banking, securities, trusts and asset management.

In fiscal 2007, we started giving lectures and courses at the Faculty of Economics, Kyoto University, and the Faculties of Law and Economics, Tokyo University. We are working to improve our curriculum so that we can give even better lectures in the future.

Lectures and Courses Given in Fiscal 2007

		Educational Institution	Course, Main theme	How operated
Domestic	Mizuho Financial Group	Faculty of Economics, Kyoto University	Advanced Banking Theory	Dispatch lecturers, hold symposia, hold public lectures
		Faculty of Business and Commerce, Keio University	Contemporary Corporate Finance	Dispatch lecturers
		Tokyo Gakugei University, Faculty of Education	Career Education and Life Planning	Dispatch lecturers
		Faculty of Economics, University of Tokyo	Risk Management at Financial Institutions	Dispatch lecturers
		Faculty of Law, University of Tokyo	Financial Law	Cooperation in lectures
		Faculty of Commerce and Management, Hitotsubashi University	Financial Frontier	Dispatch lecturers, hold symposia
		Faculty of Political Science and Economics, Waseda University	Changes in The Financial Markets, and Financial Institutions	Dispatch lecturers
	Mizuho Bank	School of Business Administration, School of Economics, Kinki University	The 21st Century Challenge Facing Financial Institutions	Dispatch lecturers
	Mizuho Securities	Faculty of Economics, Kyoto University, Graduate School of Business Management, Kyoto University	Corporate finance-related	Dispatch lecturers, invite professors/assistant professors, hold international conferences, symposia, joint research
		Graduate School of Public Policy, University of Tokyo	The Capital Markets and Public Policy	Cooperation in lectures
		Faculty of Commerce and Management, Hitotsubashi University; Graduate School of Commerce and Management, Hitotsubashi University	Financial Strategy Theory/Corporate Finance Theory, The Theory and Practice of M&A	Dispatch professors and lecturers, hold symposia
		Graduate School of Global Business, Meiji University	Corporate Finance Theory (Special Theory)	Dispatch professors and lecturers, hold symposia
	Joint operations of Mizuho Securities and Shinko Securities	Faculty of Economics, Keio University	Corporate Finance Theory	Dispatch lecturers
		Open Education Center, Waseda University	Corporate Finance and Frontiers of Investment Banking Business (Introduction) / (Practice and Applications)	Dispatch lecturers, internships
	Mizuho Investors Securities	Osaka University of Economics and Law	Securities Investment Theory	Dispatch lecturers
		Takasaki City University of Economics	IPOs and SMEs/Information Systems Theory	Dispatch lecturers
		Nippon Bunri University	Overview of Financial and Capital Markets and Practices	Dispatch lecturers
	Overseas	Mizuho Securities	Fudan University (China)	Changes in Japan's Capital Markets and their Implications for China's Markets

### I Was Impressed by the Level of Student Interest in Finance

I was in charge of the lecture on real estate finance as part of the Contemporary Corporate Finance course at Keio University. Before the lecture, I felt anxious about speaking in front of 500 people. I wasn't sure how much the students already knew about the subject, either, so when a newly hired employee in my department pointed out that the abstract I had prepared was difficult to understand, I had to revise it several times. During the actual lecture, I was very

impressed when some really tough questions showed that the audience was listening far more intensely than I had expected. It also gave me the invaluable experience of rediscovering for myself the significance of my own business. If I was given the opportunity, I'd love to do it again. I'd also be delighted if our lectures helped the students to realize the linkage between the topics they learn as academic subjects and economic activity in the real world.



Real Estate Finance  
Business Division  
Mizuho Corporate Bank  
Mariko Ono



## Overseas Examples CB

### The Americas

Since 1992, the MHCB Los Angeles Agency has been participating in various educational programs run by Junior Achievement, a U.S.-based nonprofit organization that provides economic education to students around the world. As part of a 2007 program in which children learned about the roles of workers in a community and how communities work, Mizuho staff led classroom sessions for five weeks on a range of subjects including the flow of money and the role banks play.



### Europe

In the U.K., in order to acquire the GCSE (General Certificate of Secondary Education), students have to take work experience during the end of the last two years of compulsory secondary education. For this reason, our London Branch accepts up to ten students each summer. The work experience prepares them for entry into society and nurtures their attitudes towards work while exposing them to work in an actual workplace environment.

In its position as an important center in Europe, the London Branch also offers internships to university students, providing them with opportunities to learn about banking and obtain financial knowledge through experience of actual operations.

### Asia

● **Financial Education at Local Japanese Schools Overseas**  
At Guangzhou Representative Office, our staff explained banking operations and other aspects of financial knowledge to middle school students at Japanese schools in the area.

Our Ho Chi Minh Branch also explained the mechanisms of banking and the social role played by banks to primary school students from the Japanese school in Ho Chi Minh City. Later, our staff took them on a study tour of the Branch.

Our Singapore Branch became the first office among other Japanese banks in Singapore to offer financial education on foreign exchange and other subjects to students of local Japanese primary schools.



Singapore Branch cooperated in giving lessons

● **Offering Internships to University Students**

The Bangkok Branch offered group internships to students of the Faculty of Economics, Thammasat University, Thailand.

● **Supporting Basic Education at University-affiliated Secondary Schools in China**

The Mizuho Incentive Fund has been established to grant RMB400,000 (approximately ¥6 million) annually to the Junior High School of Peking University, the Junior High School Affiliated to Renmin University of China, and the Junior High School Attached to Tsinghua University over a period of ten years. The decision to establish the fund was taken because we considered it very worthwhile to support basic education in China, where human resources development has been placed at the core of the national development strategy. The first ceremonies to mark the award of the grants were held in the schools in late October 2007.

### Action Plans

We shall make further efforts to develop more practical instruction methods and educational programs in the area of elementary and secondary education. We shall also endeavor to reinforce the curricula and content for lectures and courses at the higher education level.

### Web

Please refer to <http://www.mizuho-fg.co.jp/english/csr/education/> for more detailed information.

# Corporate Governance

Mizuho endeavors to make corporate management more transparent and efficient by separating its supervisory functions from its executive functions.

This section reports on the group's management and corporate governance structure.

## Corporate Governance Policy

Mizuho has been working to achieve a streamlined and nimble management structure while strengthening our corporate governance by inviting outside directors to join our board, etc. We will continue our efforts to enhance the transparency and efficiency of our management through corporate governance, with strict observance of all laws and regulations, pursuing our business activities in a fair and honest manner that does not conflict with the norms accepted by society.

## Corporate Governance Structure

### Board Members and Board of Directors

MHFG's board of directors, which consists of nine members, determines important matters pertaining to the management policy of MHFG and its group companies and monitors the business conduct of directors and executive officers. Three of the directors are outside directors that do not engage in the day-to-day management of MHFG. Their participation serves to strengthen the management and monitoring functions of the board of directors.

### Corporate Auditors

MHFG has adopted a corporate auditor system consisting of five auditors, three of whom are outside corporate auditors. The Board of Corporate Auditors receives reports on important issues about audit matters, discusses them and makes decisions.

### Execution of Duties

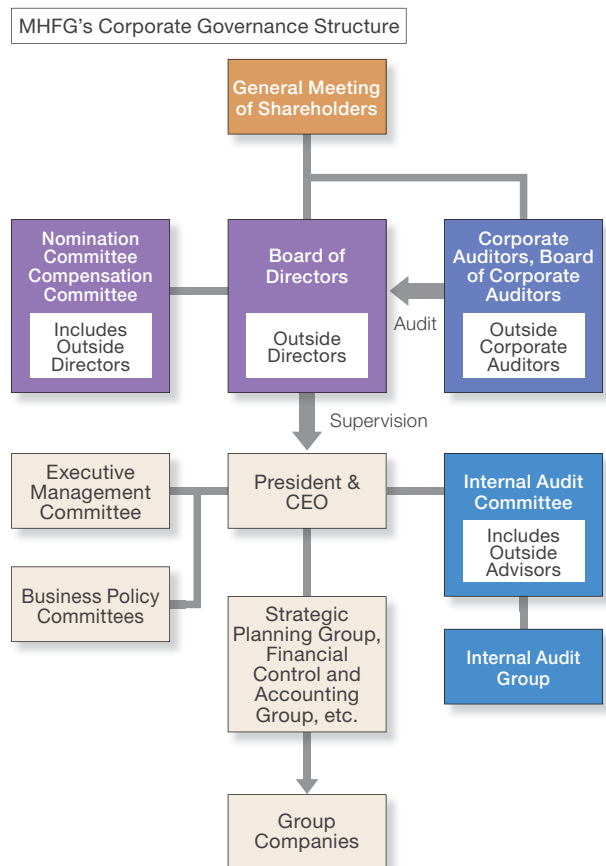
MHFG introduced the executive officer system in order to separate managerial decision making and its implementation and to clarify levels of authority and responsibility.

In respect of the execution of duties, the President & CEO manages MHFG according to the fundamental

management policies determined by the board of directors. The Executive Management Committee was established to serve as an advisory body for the President & CEO and discusses important matters concerning the execution of business operations. Business Policy Committees were established to discuss cross-sectional issues.

### Internal Audit Function and Others

The Internal Audit Committee fulfills an internal audit function under the President & CEO. The committee discusses and determines important matters concerning internal audit on the basis of the basic policy determined by the board and reports all decisions made by the committee to the board.



# Compliance

Mizuho is working to achieve global standards in compliance.

This section reports on our approach to compliance, and on the operating structure and activities we use to ensure it.

## Overview of Fiscal 2007 Initiatives

- In recent years, compliance has become increasingly important for financial institutions. Mizuho has worked to promote compliance by preventing money laundering and taking other initiatives based on laws related to banking operation, sales of financial products and others.

## Basic Approach

As one of Japan's leading comprehensive financial groups, we remain conscious of the importance of our social responsibilities and public mission at all times. We define compliance as "the strict observance of all laws and regulations and the pursuit of fair and honest corporate activities that conform to the norms accepted by society" and view ongoing compliance as one of the basic principles of sound business management. Each of our group companies maintains its own compliance structure in line with the basic policies established by MHFG.

## Compliance Structure

The chief executive officer of MHFG, MHCB and MHBK each generally oversees compliance matters of the respective company, and such chief executive officers also head their respective compliance committees at which important matters concerning compliance are discussed.

## Compliance Activities

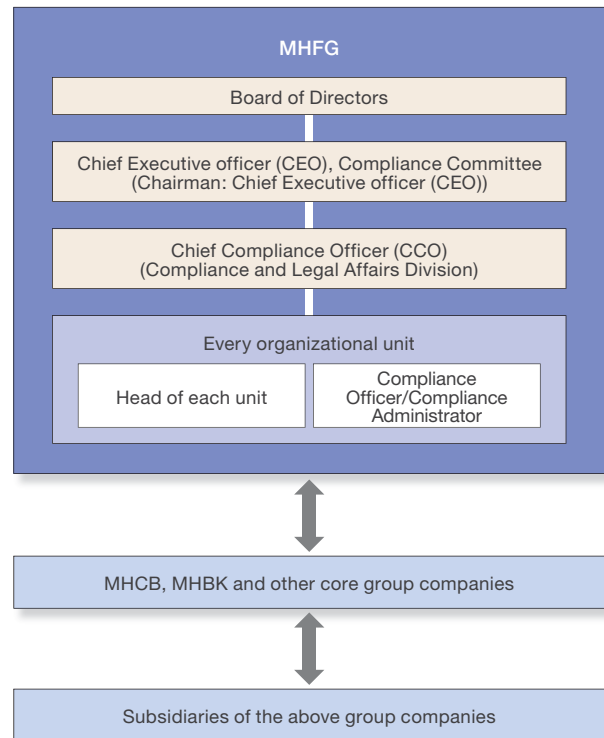
We have established the "Mizuho Code of Conduct," which sets forth clear and concrete standards of ethical behavior, and distributed it to all directors, senior management and employees of the Mizuho group so that they are well aware of its content and act accordingly.

Each of our group companies has also prepared a compliance manual, which serves as a practical guidebook for rigorous compliance enforcement and clarifies the laws and regulations that the group companies must observe in pursuing their business activities and the compliance activities they are required to follow. We conduct compliance training for directors, senior management and employees

so that they are fully acquainted with the contents of the manual.

We monitor the status of compliance levels through self assessments conducted by individual organizational units and monitoring conducted by the compliance division of each company.

### Compliance Structure



### Action Plans

As we have seen, Mizuho has adopted a highly proactive approach to the issue of compliance. Regrettably, however, MHSC received a business improvement order from the Financial Services Agency (FSA) in October 2007 for the receipt of nonpublic information from the parent bank and the use of such nonpublic information for solicitation purposes.

We deeply regret what happened and would like to take this opportunity to express our deepest and sincerest apologies to our clients and all related parties for any inconvenience it may have caused. To prevent any recurrence of such actions in the future, we are putting the utmost effort into clarifying our rules and monitoring the status of compliance levels concerning the transfer of nonpublic information and further improving and reinforcing our internal control systems.



# Risk Management

Further progress in financial deregulation and internationalization has led to rapid growth in the diversity and complexity of banking operations, exposing financial institutions to various kinds of risk. Managing these risks in an appropriate manner is an essential factor in increasing corporate value. This section covers the group's basic approach to risk management and its risk management structure.

## Overview of Fiscal 2007 Initiatives

- The BIS Regulations, the regulations for international standards of the health of banks first implemented in 1992, have been revised in light of developments in risk management methods in order to better reflect the actual substance of the risks, and these amended regulations are known as "Basel II". We have obtained the necessary approvals from government authorities and have been calculating capital adequacy ratios based on Basel II from March 31, 2007, when the Basel II was implemented in Japan. In line with Basel II requirements, MHFG uses the Annual Review for appropriate disclosure of the status of capital adequacy as well as an overview of our risk management policies and procedures.

- A steep rise in the U.S. subprime loan delinquency rate caused a sharp drop in the price of related securitization products and triggered unprecedented dislocation in global financial markets. In light of the market environment, Mizuho has strengthened its management according to the characteristics of the securitization products.

## Basic Approach

Mizuho classifies its risk exposures according to the various kinds of risk, including credit risk, market risk, liquidity risk and operational risk, and manage each type of risk according to its characteristics. In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses to keep risk within limits that are managerially acceptable in both qualitative and quantitative terms.

We recognize the conducting of operations tailored to the risks and managing such risks as a key issue relating to overall management and strengthening our management structure.

## Comprehensive Risk Management Structure

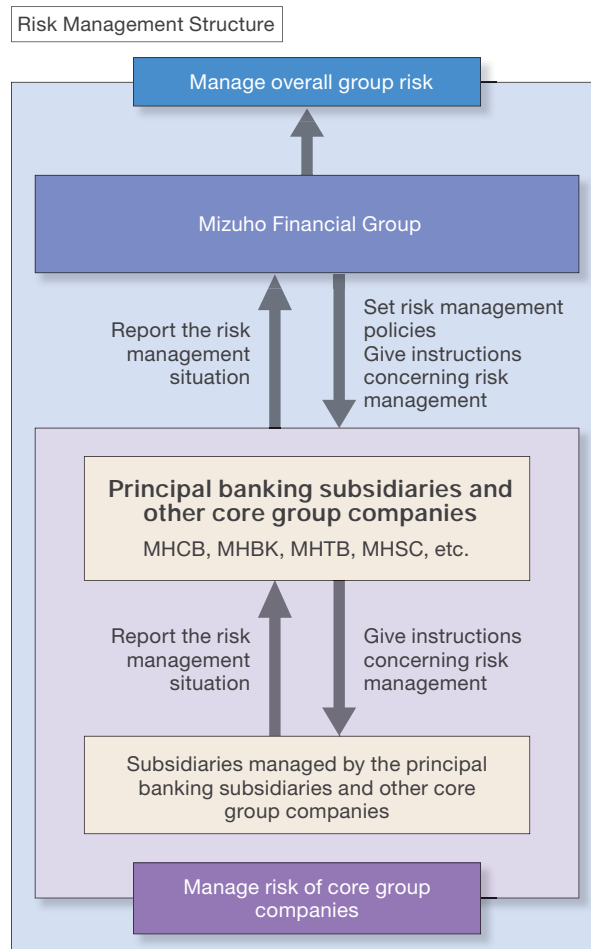
Mizuho maintains basic policies for risk management established by our board of directors that are applicable to the entire group. These policies clearly define the kinds of risks to be managed, set forth the organizational structure and provide for the human resources training necessary for appropriate levels of risk management. The policies

also provide for audits to measure the effectiveness and suitability of the risk management structure.

While conforming to the basic policies determined by MHFG, each group company endeavors to improve its risk management, works to strengthen controls, and adopts appropriate risk management measures for its business based on the size and nature of its risk exposures.

Our principal banking subsidiaries and other core group companies each maintains its own system for managing various types of risk, regularly receiving reports on the status of risk at their respective subsidiaries, and gives them appropriate instructions concerning risk management.

We endeavor to obtain a clear grasp of the group's overall risk exposure and have implemented measures to keep such risks within the group's financial base in accordance with the risk capital allocation framework.



## Credit Risk Management

Mizuho defines credit risk as the group's exposure to the risk of losses that may be incurred due to a decline in, or total loss of, the value of assets and off-balance-sheet instruments, as a result of deterioration in a counterparty's financial position. We have adopted two different but mutually complementary approaches in credit risk management.

The first approach is "credit management," in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the customer. Through this process, we curb losses in the case of a credit event.

MHCB, MHBK and MHTB use uniform credit ratings to monitor the status of their obligors in a timely manner, reviewing these ratings whenever there is a change in an obligor's credit status as well as on a regular basis.

The second is "credit portfolio management," in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risk and respond appropriately.

We use statistical methods to manage the possibility of loan losses by measuring the expected average loss for a one-year risk horizon ("credit cost") and the maximum loss within a certain confidence interval ("credit VaR"). We have established various guidelines to ensure that credit is not concentrated in certain companies, corporate groupings or sectors. The risk management divisions monitor adherence to these guidelines and submit regular reports to management.

## Market Risk Management

Mizuho defines market risk as the risk of losses incurred by the group due to fluctuations in interest rates, stock prices and foreign exchange rates, and measure and control it in an appropriate manner.

From the perspective of quantitative controls in particular, limits have been set for VAR and losses.

The risk management divisions of MHFG and core group companies monitor adherence to the above-mentioned limits by identifying market risk using appropriate methods to measure risk volumes according to the nature and characteristics of their risk exposures, as well as their profit and loss situations, and submit regular reports to management.

### ● Response to Subprime Loan Issue

Because market risk measurements and management using the value-at-risk method is based on historical data, they are subject to limitations in such market environment. We thus (i) strengthened the management of maximum exposure limits for securitization products and (ii) conducted stress testing based on diminished market liquidity for securitization products.

## Liquidity Risk Management

Mizuho defines liquidity risk as the risk of losses arising from funding difficulties due to a deterioration in its financial position that makes it difficult for it to raise necessary funds or that forces it to raise funds at significantly higher interest rates than usual.

Liquidity risk is controlled by setting management indices such as limits on funds raised in the market.

## Operational Risk Management

Mizuho defines operational risk as the risk of loss that we may incur resulting from inadequate or failed internal processes, people and systems or from external events. We recognize that operational risk includes information technology risk, operations risk, legal risk, human resources risk, tangible asset risk, regulatory change risk and reputational risk. We have determined risk management policies concerning risk management structures and methods for each kind of risk.

### Action Plans

Mizuho started adopting Basel II at the end of March 2007, and is now planning and preparing to apply advanced approaches for calculating credit risk and operational risk that can reflect our risk profiles more appropriately.

We recognize that appropriate risk management and control measures are issues of key importance to corporate management, and are taking steps to strengthen our risk management structure.

# Stakeholders at Mizuho

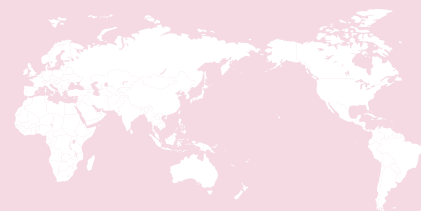
Mizuho is determined to promote our CSR activities still further by realizing high quality communications with our stakeholders.

## Basic Approach

Financial institutions have a public role to play, which means they not only have a major impact on society but also bear heavy responsibilities toward society. If Mizuho is to contribute to the sustainable development of society as a good, responsible corporate citizen, we must be aware of society's expectations towards it. For this reason, we must improve the quality of our communications through dialog with stakeholders, whose interests vary widely.

To win society's true understanding and recognition, as well as accurate assessments and feedback based thereon, we must endeavor to further improve our information disclosure and secure the transparency of our management. At the same time, we must work to ensure well-balanced corporate management by realizing highly responsive communications as one of our priority CSR areas. Since fiscal 2006, we have also been engaging in regular stakeholder dialogs with experts, utilizing the resulting opinions and views in Mizuho's CSR activities.

Mizuho classifies our stakeholders as follows: customers, shareholders, employees, regional/local communities, suppliers, competitors and government authorities.



## Government Authorities

Mizuho has multifaceted relationships with the governments of Japan and many other countries around the world. Whether it is a matter of following laws and regulations in conducting business, using public services necessary for business, lending funds for government or national projects, or borrowing funds from central banks, we endeavor to observe all national laws and maintain sound and normal relationships with domestic and foreign regulatory authorities and politicians with jurisdiction over our operations.



## Suppliers and Competitors

Mizuho's transactions with suppliers arise through orders for IT systems and purchases of goods and services.

We maintain healthy and transparent relationships with suppliers in order to ensure mutual prosperity by treating them as business partners who provide us with the best quality and services. To maintain trust in the Mizuho brand, we ask suppliers to understand the "The Mizuho Code of Conduct."

In line with the principles of self-responsibility on which the market economic structure is premised, we compete in a fair, transparent and free manner based on a strong sense of self-help and independence.



## Customers

Mizuho's customer base is extremely broad, including depositors, borrowers, trust consignors and trust beneficiaries, and ranging from individuals to enterprises. It is also geographically diverse, since we have customers around the world.

As well as paying careful attention to the comments we receive from customers through mechanisms such as customer feedback cards, call centers and customer satisfaction surveys, we use television, newspapers, our website and other media to transmit information. At the same time, we carry out two-way communication via direct dialog at branches and through our sales staff. The results of our communications are used in various ways, from improving products and services to enhancing the quality of our management.

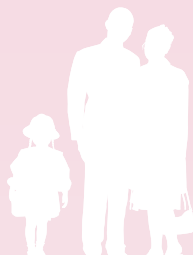


Mizuho

## Regional/Local Communities

Mizuho maintains deep ties with regional and local communities via our business activities at 829 locations (domestic and abroad) in 32 countries/regions (as of the end of March 2008) and through each and every employee, to the extent that in many ways these communities may be considered the backbone of Mizuho's existence. For this reason, we believe it is extremely important to contribute to the development of local communities through business activities that harmonize our own profits with society's interests.

In addition to normal business activities, we endeavor to interact with local communities through proactive social action programs.



## Shareholders

As of the end of March 2008, Mizuho had 11,396,254.66 common shares issued and outstanding. Japanese corporates held 56.93% of these stocks, foreign corporates 26.65%, and individuals 16.42%. We intend to maintain and expand our assets and improve our profitability with a view to keeping the trust and meeting the expectations of our shareholders. We rigorously maintain the accuracy and reliability of our financial, taxation and accounting practices, are strengthening our independent internal audit control functions and working to build a stringent internal control system. Since our listing on the New York Stock Exchange, we have followed US accounting rules when disclosing information.



## Employees

On a consolidated basis, there were 49,114 employees working for the group in 32 countries, centered on Japan, as of the end of March 2008.

Personnel are Mizuho's most important business resource — the unrivaled cornerstone of the group's competitive advantage. We believe that enhancing the value of each and every employee through proactive investment in human resources will lead to the creation of permanent value for Mizuho. In line with this approach, we are working to create a free and open workplace environment that is attractive to employees because it is work-friendly and rewarding.

We also provide compliance education and training, ensure rigorous observance of labor laws, pay close attention to safety and health in the workplace, provide a hotline to address discrimination and sexual harassment, and conduct motivation surveys at the workplace.

# Customer Relations

Mizuho aims to be number one on customer satisfaction (CS). This section reports on our efforts to earn the satisfaction and trust of our customers.

## Basic Stance toward Customers

- We will constantly strive to satisfy customers, earn their trust, and build long-term relationships.
- We will know our customers well and deal with them in good faith.
- We will provide customers with ample information and offer them top-class comprehensive financial services.
- We will manage the assets of our customers with due and diligent care.
- We will work to educate ourselves in order to acquire exceptional discernment and specialized knowledge and skills that benefit customers.

## Overview of Fiscal 2007 Initiatives

- We worked to improve convenience by expanding the number of branches operating on holidays and proactively establishing “Mizuho Personal Squares” branches with a special focus on individual customers. Through the Heartful Project, we also continued our multifaceted initiatives to make our branches barrier-free.

## Basic Approach CS Initiatives

Since putting our customers first is the basis of our group activities, we aim to provide customers with top-level comprehensive financial services that satisfy their needs at all times. When a customer comes to us with a complaint or criticism, we are committed to solving the problem by listening sincerely and responding promptly and appropriately. We see our customers' views as a managerial resource and after investigating and analyzing the cause of the problem, we clarify the issues involved and utilize the results to prevent their recurrence and improve our products and services.

## Mechanisms for Collecting Customers' Comments and Opinions

MHFG pays careful attention to the comments it receives from customers.

- **Customer Feedback Cards** BK CB TB IS

Four group companies use customer feedback cards to collect a wide range of comments and opinions from customers, receiving some 200,000 cards from customers in fiscal 2007.

- **Call Centers** BK TB IS

Our call centers respond to telephone inquiries from customers, and their requests and opinions are collated by departments in charge of customer service. Three group companies received some 4,810,000 inquiries by phone in fiscal 2007.

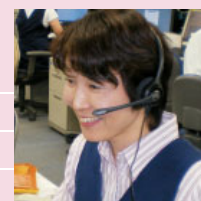
- **Customer Satisfaction Surveys** BK CB TB SC IS

Five group companies periodically administer customer satisfaction surveys and use the results to improve and strengthen products and services.

## I Always Try to Put a Smile in My Voice When I Call Customers

Call centers also serve as help desks for the Mizuho Direct Internet banking service, answering telephone inquiries from customers. The largest number of inquiries concern locked passwords. Some customers are not used to using PCs, so we help them resolve their

problems by talking them through the process step-by-step. I really feel it's all worthwhile when they thank me at the end of the call. Whatever the situation, I always try to “put a smile in my voice” when I answer a call.



Yokohama Direct Banking Center Help Desk  
Mizuho Bank  
Hitomi Endo

## Reflecting Customer Feedback in Better Quality Services

After the feedback received from customers is collated, the departments in charge of customer service at each group company submit reports to their top management, and each department concerned uses the information in

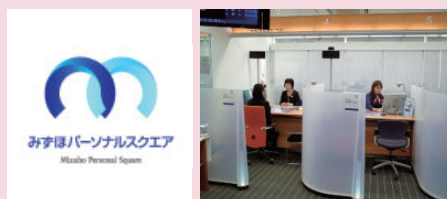
efforts to improve products and services.

MHFG's CS Research Institute gathers, investigates and analyzes customer feedback for use in improving group-wide management quality and products and services.

### Case Studies: Making Use of Customer Feedback

#### ● Creating Attractive Branches to Make Individual Customers Feel Welcome **BK**

MHBK started establishing "Mizuho Personal Squares" branches that prioritize individual customers' needs in October 2006. At the end of March 2008, the number of such branches stood at 135. We will continue to review new and existing branches with a view to establishing further "Mizuho Personal Squares" in the future.



"Mizuho Personal Square" Gakuen-mae

#### ● Reducing Waiting Time by Helping Customers to Complete their Business more Smoothly **BK**

As of the end of March 2008, MHBK had deployed lobby concierges at the general information corners of 260 branches to help customers complete their business more smoothly. Moreover, nine branches in the Tokyo metropolitan area use the Mizuho website to notify customers of the estimated waiting time and the number of people waiting for service at ATMs and bank counters.

#### ● More Branches to Open on Saturdays **BK**

To accommodate customers who are too busy to visit the bank on weekdays and couples who want weekend consultation services in a relaxed atmosphere, MHBK is increasing the number of branches opening on a Saturday. As of the end of March 2008, there were 17.

## Convenience and Security for Customers

We have taken various steps to ensure maximum convenience and safety for customers as they go about the business that they conduct with Mizuho.

#### ● Making Internet Banking Transactions Safer **BK**

MHBK is proactively enhancing its security measures by among other things introducing "one-time passwords" to enhance its Mizuho Direct Internet service for individual customers.

#### ● Measures to Deal with Financial Crimes Affecting Individual Customers **BK TB**

MHBK started offering compensation for damages incurred from the illegal use of stolen bankbooks or the Mizuho Direct Internet banking service in April 2008. MHBK and MHTB have set up special call centers to help victims of crimes committed against the "Bank Transfer Fraud Relief Law"\*

\* Bank Transfer Fraud Relief Law: The Law Concerning Payments, etc., of Damage Recovery Distributions from Funds Associated with Deposit Accounts Used in Crimes

#### ● Information Security

Mizuho sees the appropriate protection of informational assets such as information on customers as an important social responsibility. To strengthen the group's information security management further, each group company has a department in charge of information security and has acquired certification for Information Security Management System under ISO/IEC27001, the international standard.



IS97580/ISO IEC 27001  
Mizuho Financial Group

#### ● Ensuring Personal Information Security

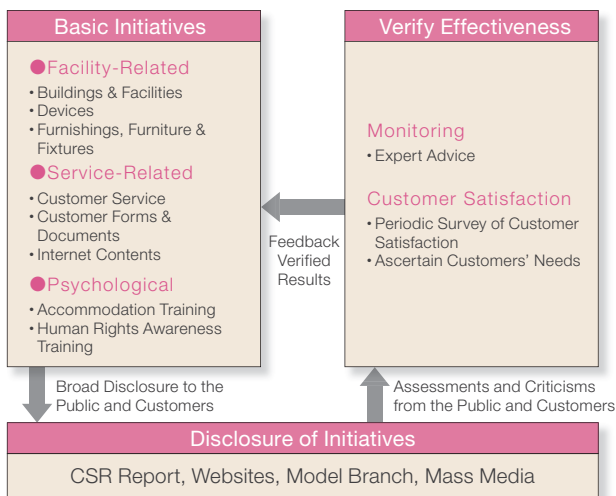
Fully recognizing the importance of handling customers' personal information appropriately, each group company has established a privacy policy to ensure the safety of such information through rigorous controls.

## Striving to be a Bank that is Accessible to Everyone — the Heartful Project

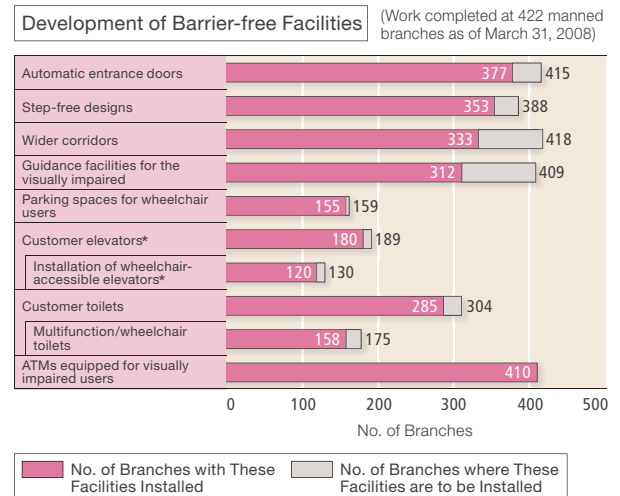
### About the Heartful Project

MHBK has been promoting the Heartful Project since November 2005 with a view to becoming a bank that is easy for anyone to use regardless of age, gender or disability.

This project's basic approach involves multi-faceted barrier-free initiatives in three key areas: facility-related



initiatives covering branches, facilities and equipment; service-related initiatives covering customer forms and documents and Internet content; and psychological initiatives involving education and other elements designed to improve treatment of customers.



### Experts Provide Advice

This initiative benefits from guidance provided by experts in barrier-free design and universal design recruited to act as advisors for the Heartful Project, and to cooperation with Mizuho Research Institute, which has a long record of undertaking surveys in this field.

#### Barrier-Free Advisors

- Kuniko Obinata (Torino Paralympics Gold Medalist)
- Yoshihiko Kawauchi (Professor, Toyo University)
- Satoshi Kose (Professor, Shizuoka University of Art and Culture)
- Gihei Takahashi (Professor, Toyo University)

#### A Little Thoughtfulness Lifts the Spirits

I believe MHBK's Heartful Project has made considerable improvements on the facilities side. I hope that further progress will now be made on the psychological side, specifically in the way individual



Torino Paralympics Gold Medalist  
Kuniko Obinata

staffers interact with customers and understand where customers find things inconvenient. If they start by looking at the essence of customer needs sustained efforts in these areas will surely lead to improvements.

#### I Give these Initiatives High Marks

With universal design initiatives, it is important to move ahead in the strong conviction that building a society that is comfortable for everyone is very important. I am full of admiration



Professor, Toyo University  
Gihei Takahashi

for Mizuho Bank's approach to this project. More and more companies are tackling the issue of universal design. I have high hopes of such initiatives in the future.



**Progress on Specific Initiatives**

● **Facility-related Initiatives**

In the area of facilities, we have established barrier-free standards based on the “Barrier-Free Building Ordinance” of the Tokyo Metropolitan Government. Under these standards, we have installed automatic doors, eliminated steps, widened corridors, installed Braille blocks, provided parking spaces for wheelchair users, installed customer toilets and elevators, and installed ATMs that can be used by a visually impaired customers.



Multifunction toilets for customers

● **Service-related Initiatives**

On the service side, “Mimi Mark” (Ear Mark) signs are displayed to inform customers that provision has been made for writing and other communications needs at branch counters, including whiteboards. There are also “Communication Boards” which describe transactions and procedures using pictures, symbols and the English language.

We are also working on producing pamphlets and Internet contents that are easy to understand. The pamphlets have been improved to make them easier to read and comprehend, using extra large letters and diagrams, while the transaction slips used by customers have been altered to make them easier to read, understand and fill out.



“Communication Boards” installed near branch counters

● **Kind-Hearted Initiatives**

On the psychological side, we are working to enhance interaction with customers by adopting the “Mizuho Heartful Style.” This aims to raise customer satisfaction by ensuring maximum ingenuity and thoughtfulness in customer contact and improving anything that might provoke a sense of dissatisfaction or inconvenience.

More specifically, we have prepared and distributed manuals including information on dealing with elderly customers, customers with disabilities, expectant mothers,

and foreigners. We have also produced training videos and hold regular training sessions at branches.

In addition, we have held mass training sessions to give some 2,300 lobby concierges and lobby staff practical expertise in operating wheelchairs and other customer assistance skills. We also recommend that lobby concierges acquire the Care-Fitter Level 2 Qualification administered by the non-profit organization Nippon Care-Fit Service Association.



**I Constantly Visit Branches to make them Easier to Use**



Network Business Development Department, Branch Office Mizuho Bank

Toshiharu Michishita

I am primarily in charge of the facilities-related aspects of the project, and have set up model branches and the like, but there were many problems with unusual bank branch designs and facilities unique to banks, such as ATMs. I have worked hard to create more user-friendly branches, making frequent visits and actually using their facilities in an attempt to see for myself what customers experience.

The issue facing us now is to sustain the momentum we have built up. Recently, I get the feeling that employees are more aware of the situation because more of them are suggesting that certain equipment would be useful and putting forward other ideas. I intend to continue our efforts to create branches that are easier to use.

**Action Plans**

We shall continue to listen to the wide range of opinions submitted by customers and use them in providing products and services designed with them in mind.

# Shareholder and Investor Relations

The Mizuho Financial Group is committed to an open form of management that emphasizes proactive communication with shareholders and investors.

This section reports on our efforts to meet the expectations and earn the trust of these important stakeholders.

## Basic Stance toward All Our Shareholders

- In order to earn the trust of all our shareholders, we will endeavor to preserve and enhance the group's assets.
- We will strengthen our internal control systems through appropriate accounting, effective internal audit and other measures.
- We will proactively disclose information and improve managerial transparency to ensure that all our shareholders obtain an accurate picture of our business operations.

## Overview of Fiscal 2007 Initiatives

- We worked to make our General Meeting of Shareholders more open for the benefit of shareholders and investors.
- We were more proactive in disclosing information on Mizuho's management strategies and financial condition. In particular, regarding the impact of the dislocation in the global financial markets, we disclosed more detailed and comprehensive information on our securitization products held and others prepared basically in view of the recommendations in "Leading-Practice Disclosures for Selected Exposures" included in the Financial Stability Forum (FSF) report.

improve communications with our shareholders by encouraging a lively question and answer session on the meeting's agenda items and matters relating to group management.



We posted the report on our business operations given at the meeting and a message from the President & CEO on our website for about three months following the meeting.

The Convocation Notice of the meeting contained more detail and we mailed it out earlier to give shareholders more time to digest its contents. We also posted it on our website in both Japanese and English at the same time as the mailing.

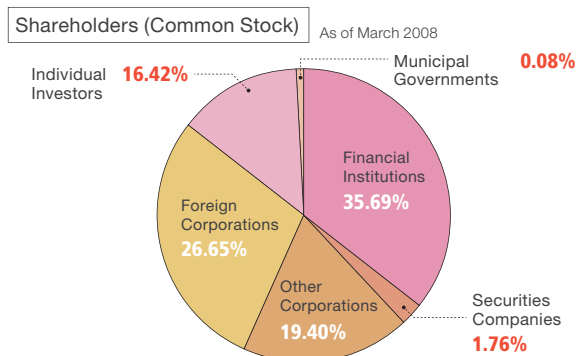
## Communication with Shareholders

### More Open General Meeting of Shareholders

We make every effort to improve the environment so that shareholders can take part in our ordinary general meeting by holding it on a date at the end of June each year that avoids the most popular dates on which other companies' meetings are held. We held our sixth ordinary general meeting of shareholders in Hall A of the Tokyo International Forum on June 26th, and a record 2,474 shareholders attended. Using visuals projected on to a large screen, we presented a report that was designed to explain our business in an easy to understand format. We also endeavored to

### Report to Our Shareholders

We distribute a report entitled "Report to Our Shareholders" following general meetings of shareholders and interim earnings presentations in order to inform shareholders of our business operations, financial performance and other management information. The report is printed in color and uses graphs, tables and photographs to make it easier to read and understand. It is also available on our website. The mailing includes a questionnaire card for shareholders to voice their opinions and submit requests concerning the contents of the report.



Questionnaire Card and "Report to Our Shareholders"

## Investor Relations

One of the highest management priorities of Mizuho Financial Group is to continue to disclose information to our shareholders and investors in a fair, timely and appropriate manner, in order that they may form proper judgments and appraisals of the group. Our Disclosure Policy, which refers to our basic principles of disclosure on the group and a framework for Disclosure Controls and Procedures, is published in our annual review and on our website.

In accordance with the abovementioned policy, and with due attention to two-way communication, we endeavor sincerely to facilitate a proper understanding of our management strategies, financial condition and other matters. In this way, we aim to earn the trust of the market and obtain an appropriate market reputation.

### Active Involvement of Top Management in Investor Relations

In addition to regular IR presentations in Japan by top management, we hold group meetings during IR activities overseas. We also hold IR meetings regarding business strategies for our specific business segments and participate in seminars for investors held by securities companies in Japan and overseas. We endeavor to take advantage of every opportunity to deepen the understanding of the group among shareholders and investors both inside and outside Japan.



IR presentations on financial results for fiscal 2007 held for institutional investors and analysts in Japan.

### Making Effective Use of Various Channels for Disclosure

On the Mizuho Financial Group website, we disclose presentation materials and audio archives of such IR presentations, as well as a variety of other materials including financial statements and other financial information, press releases, annual reviews, and information on CSR activities. We also run an “IR contact page,” which widely receives questions and comments about IR activities, on our website. Moreover, we hold conferences in both Japanese and English via the Internet following the announcements of financial results. We also issue pamphlets and other publications that provide information on the group and send out press releases through our email distribution service. These efforts reflect our commitment to effectively utilizing the latest disclosure methods and tools to provide more fair and widespread disclosure to meet the diverse needs of shareholders and investors.

### NYSE Listing

We listed our ADR (American Depositary Receipt) on the New York Stock Exchange (NYSE) on November 2006 to enhance transparency in our corporate governance as well as raise investors’ trust in us.

In connection with the listing, we stationed investor relations officers in New York, and we established a framework to provide disclosure based on U.S. generally accepted accounting principles, which are deemed to be one of the global standards used by leading global companies. We will also continue to strengthen internal controls and enhance the transparency of corporate disclosure in line with requirements of the U.S. Sarbanes-Oxley Act, which sets one of the strictest standards in the world today.

### Action Plans

To meet the expectations and earn the trust of shareholders and investors, we are working to improve the way we manage our ordinary general meeting of shareholders.

We will continue to work to further reinforce our IR activities in order that our shareholders and investors may form more proper judgments and appraisals of the group.

# Employee Relations

The Mizuho Financial Group believes that raising the value of each and every employee will translate into overall group development. This section reports on how we approach employees within our common platform for human resources, as well as our programs and initiatives for helping them thrive.

## Basic Stance toward Employees

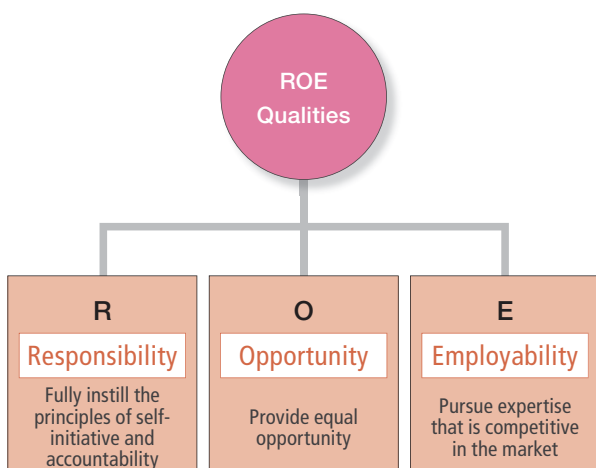
- We will help employees live healthy, fulfilling lives and ensure their workplace environments are comfortable, safe and conducive to work.
- We will create workplaces where people working together respect one another and are not subject to discrimination or harassment of any kind.

## Overview of Fiscal 2007 Initiatives

- In addition to making further improvements in training employees and strengthening specializations, we are promoting a Job Promotion Program and other schemes that respect personal aspirations. We are also strengthening our lifestyle support for employees through a stronger commitment to family and child care leave schemes, including the establishment of child care facilities in offices.

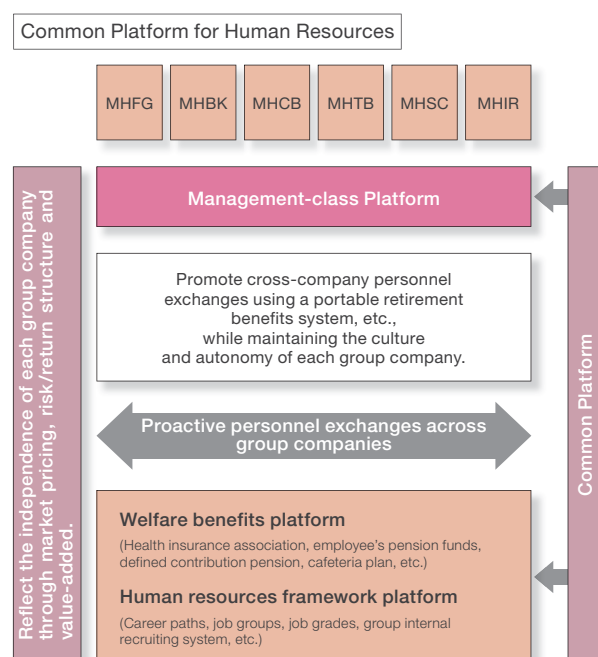
## Basic Approach

Personnel are Mizuho's most important business resource — the unrivaled cornerstone of the group's competitive advantage. We believe that enhancing the value of each and every employee through proactive investment in human resources will lead to the creation of permanent value for Mizuho. Our vision for human resources is to improve what we call ROE Qualities — responsibility, opportunity and employability — and create appealing, fulfilling workplaces in order to bring about enduring value.



## Harnessing Group Synergies in Human Resources

Each group company hires its own employees and aspires to become an association of specialists that leverages individuality and prioritizes speed. At the same time, employees are transferred between companies to bring about synergies and ensure that human resources are deployed so that the right people are in the right positions. In order to ensure continuity in the basic pay and benefit packages of transferred employees, group companies share a common platform for a portion of their personnel systems, and personnel policies are basically consistent among the companies.





## Human Resource Development Scheme Supports Efforts to Strengthen Expertise

Employees are classified into administrative employees (professional, managerial, specialist), general staff, professional contract employees, and non-regular employees, etc., depending on each person's specialization and skills as well as their approach to their lifestyle and career. The classifications have different job descriptions, duties and compensation structures. Each company has introduced schemes to support individualized human resource development and strengthen specialization.

## Fair Job Description- and Performance-based Assessments

In order to adequately reward employees for their contributions, we have introduced a merit-based evaluation system and conduct fair assessments based on job descriptions and performance. The results of the evaluations are incorporated into bonus and salary revisions for each term as well as retirement benefits and other perks. Medium- to long-term contributions and performance are also considered.

## Aiming for an Improved Educational Environment

We regard our education and training system as a means of actualizing ROE Qualities and therefore put effort into developing educational systems for each group company and commonly for the group as a whole. Training at individual group companies involves highly specialized education in line with each company's particular business model. The companies also actively keep their training programs open to one another.

## Three Internal Recruiting Systems for Utilizing and Motivating Personnel

We have established a framework that respects the individual desires of employees and is designed to improve their motivation, bring about career growth and lead to results. Under the Rookie Job Request Program, we strongly consider the jobs that new hires indicate they want when it comes to transferring them to new assignments for the first time. The Branch Manager Recruitment Program recruits younger employees for branch manager positions at Mizuho Bank, and the Job Recruiting Program looks for employees who want to advance their careers and acquire a higher level of specialization.

(Number)

	FY2005	FY2006	FY2007
No. of employees completing the Branch Manager Recruitment Program	5	2	7
No. of people completing the Job Recruiting Program	73	87	64

## Paying Full Attention to Workplace Safety and Health so that Employees Can Give Maximum Rein to their Abilities

As part of our initiatives to comply with laws and ordinances concerning occupational safety and health, we strive to improve the safety and health of employees through various health examinations, providing health management under the direction of industrial physicians and other specialists, and establishing the Health Committee. We have made mental health a major pillar of our program for helping employees maintain and improve their overall health, holding training sessions for employees and managers, monitoring workplace stress levels, and making consultation opportunities available.

Work-related Accidents		(Cases)		
	FY2005	FY2006	FY2007	
Work-related accidents	105	101	127	
resulting in leave	15	16	17	
Commuting-related accidents	68	74	87	
resulting in leave	18	23	21	
Total	173	175	214	
resulting in leave	33	39	38	

\* Data compiled for Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, and Mizuho Financial Group.

\* Data for Mizuho Information & Research Institute included from May 2005.

\* No accidents resulted in death.

## Using Study Courses and Pamphlets on Human Rights to Heighten Awareness

Group companies strive to raise awareness of human rights issues in order to foster a corporate culture that instinctively respects such rights. Employees at all our workplaces undergo mandatory human rights training annually, while special training is also held for executives, branch managers and staff members involved in promoting human rights awareness. We have also prepared our own pamphlets on human rights education and distribute them in order to raise awareness among group employees.

## Maintaining a Healthy Relationship Between Management and Employees

Mizuho builds relationships of mutual respect with employees, works to maintain and improve working conditions to boost their economic standing, and contributes to the national economy through healthy corporate development.

In accordance with labor legislation, group companies engage in required labor negotiations with parties such as unions or employee representatives who represent a majority of employees at each business location. We have established a Management Conference, a Central Labor Conference and a Workplace Conference to deal with the different issues as appropriate.

## Leverage Diversity of Employees — Initiatives for Diversity

Mizuho focuses on promoting diversity so that every employee can work vigorously. We aim to create appealing, fulfilling workplaces that utilize diversity and provide

opportunities for motivated employees with diverse backgrounds to fully demonstrate their abilities while working together with respect for one another.

### To Support for Women's Career Development

In fiscal 2007, we expanded the program for working fewer hours coverage until the child is in the third year of elementary school for employees who rear a child in response to growing requests from female employees. The number of child-care leaves taken has been increasing. In June 2007, the first Mizuho Kids Karugamo, an in-house nursery, opened. In addition to the improved corporate system, we aggressively promoted changing mind through training for managers and the distribution of guidebooks.

	Fiscal 2005	Fiscal 2006	Fiscal 2007
Number of Child-Care Leaves Taken	258	345	443

#### "Four R's": Basic Policy for Women



	Basic Policy
<b>Recruit</b>	<ul style="list-style-type: none"> <li>● Actively utilize necessary personnel.</li> <li>● Make women at least 20% of new graduate hires for our managerial career track.</li> </ul>
<b>Raise</b>	<ul style="list-style-type: none"> <li>● Strengthen provisions to ensure that evaluations are fair and just.</li> <li>● Raise the ratio of women in managerial positions by a factor of 1.5 by the end of fiscal 2008 compared with fiscal 2004.</li> <li>● Provide support for skill and knowledge acquisition through expanded training programs.</li> </ul>
<b>Retain</b>	<ul style="list-style-type: none"> <li>● Develop working conditions that motivate employees.</li> <li>● Provide support for balancing work and family life.</li> <li>● Bolster frameworks to minimize the difficulties posed by childbirth and child-raising in particular.</li> </ul>
<b>Relate</b>	<ul style="list-style-type: none"> <li>● Promote proactive dialogue inside and outside the group.</li> <li>● Promote a change in consciousness for the organization as a whole.</li> </ul>



General Manager of Diversity Promotion Department  
Human Resources Division  
Mizuho Bank  
Junko Watanabe

### Changing the Corporate Culture to establish Diversity

Mizuho Bank has reinforced programs to provide support for career development and balancing work with family life under the "Four R's" Basic Policy. One of the favorable results is recognized by the gradual increase in the number of child-care leaves taken. The Company has been active in promoting female employees to managerial positions and improving the current programs for educational trainings and certified operational expertise. Younger female employees, following

successful seniors or colleagues as their role-models, are willing to work more actively. I hope that we can enlarge and extend the fields of their successful activities in the future. It is important to change the acknowledgement and attitudes of employees and the corporate culture to establish diversity. We, therefore, intend to enhance the widespread consciousness of diversity steadily throughout the company.



General Manager of Positive Action Promotion Department  
Career Development Division  
Mizuho Corporate Bank  
Shoko Kobayashi

### Promoting the "Three Pillars" to Support for Women's Career Development

Mizuho Corporate Bank supports female employees through the "Three Pillars": 1) Improved relations and increased awareness, 2) Supporting career development for women and 3) Supporting the WLB (Work-Life Balance). There is a clear sign of the real change in Mizuho now. A lot of female employees are beginning to work more

actively. And managers and colleagues are willing to support them. In the near future, we hope it will not be necessary to take "special measures for female employees". Until then, we are challenging to advance these initiatives through joint collaboration with our colleagues in the field.

## Creating a Workplace Environment Where People with Disabilities can Flourish

Mizuho maintains programs and policies to actively hire people with disabilities on an ongoing basis. As of April 30, 2008, the Business Challenged Co., Ltd., a specially-recognized subsidiary\*, employed 42 persons with disabilities. These employees handle data entry and document handling for Mizuho companies, contributing to increased efficiency in business operations for the overall Group.

In fiscal 2007, Mizuho Corporate Bank implemented an innovative employment policy to create a workplace environment that enables employees with disabilities to both work in their jobs and participate in athletic activities, such as the Paralympics.

(%)

	July 2006	July 2007	July 2008
Employment Ratio of Persons with Disabilities	1.99	1.97	1.97

Note: The employment ratios shown in the above table represent the combined total for 6 Group companies: MHBK, MHCB, MHSC, MHTB, MHFG, and Business Challenged Co., Ltd.

\* Recognized by the Japanese Government under the Law for the Promotion of the Employment of People with Disabilities. People with disabilities employed by such recognized subsidiary are considered to be employed by the parent company group.

## A Deeper Understanding of Diversity

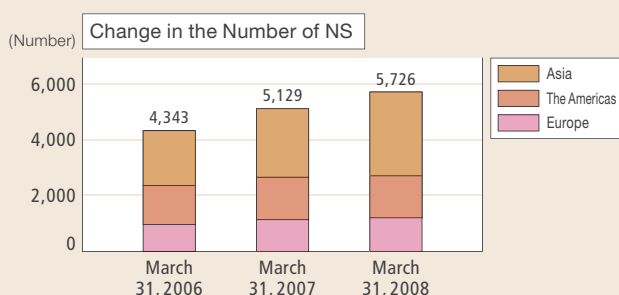


Human Resources Management  
Division  
Mizuho Corporate Bank  
Eiji Misawa

I am hoping to participate in the Paralympics as a member of Japan's ice sledge hockey team. At Mizuho Corporate Bank, my job is to promote diversity in hiring, especially for people with disabilities. Through my work and my athletic activities, I would like to encourage get people at Mizuho and society in general to think about the true meaning of the word "diversity". I firmly believe that I can make a meaningful contribution to my workplace and to society by promoting diversity, and as such, I will continue to do my very best in my work at Mizuho and in my athletic activities.

## Hiring of Highly Skilled and Experienced People, Irrespective of Nationality

Mizuho's overseas business activities are carried out through 84 offices in 31 countries/regions around the world, with support for these global business operations provided by locally hired personnel, known within Mizuho as "National Staff" (hereafter "NS"). In hiring employees overseas, the special characteristics of each region and the local business customs and practices are taken into account, and overseas offices are able to independently hire people with a higher degree of expertise and specialization.



Note: The figures in the above graph indicate the number of NS at the branches, representative offices, and overseas subsidiaries of Mizuho Corporate Bank, Mizuho Securities, and Mizuho Trust & Banking.

## Working in a Global Arena

I am in charge of compliance and internal control as the Director & Deputy President of Mizuho Corporate Bank (China), Ltd., after previously working as the Joint General Manager at the Shanghai Branch of Mizuho Corporate Bank.



Director & Deputy President  
Mizuho Corporate Bank  
(China)  
Nie Ming

The NS at Mizuho Corporate Bank (China) engage in various activities, such as negotiation with regulatory authorities and gathering of information. The bank is also proactive in developing globally oriented human resources through training programs specifically aimed at NS. As such, I believe that Mizuho's employment program for Chinese personnel is the most advanced of all the Japanese banks operating in China.

## Action Plans

In order to increase the value of each and every employee, Mizuho will further enhance employee training and education and improve the utilization of human resources, and at the same time, will also move forward with measures to support employees in all aspects of their lives, such as the enhancement of the child-care leave program, in light of the needs of society with respect to the raising of future generations.

## Web

Please refer to <http://www.mizuho-fg.co.jp/english/csr/communication/employee/> for more detailed information.

# Community Relations

As a good corporate citizen, Mizuho is committed to contributing to the local communities that constitute its foundation. This section reports on our approach to corporate citizenship and provides specific examples of our activities in this area inside and outside of Japan.

## Basic Stance Toward the Community

- We will fulfill the roles expected of a good corporate citizen in partnership with local communities.
- We will actively engage in activities that contribute to society.

## Overview of Fiscal 2007 Initiatives

- In addition to the business activities that we conducted in Japan and overseas, we promoted social contribution activities in which the group companies and their employees worked in concert by calling for the participation of employees in several volunteer programs. In addition, in fiscal 2007 we donated relief money to the victims of The Niigataken Chuetsu-oki Earthquake in 2007 and other disasters.

## Basic Approach

Our basic stance on social contribution is to be a good corporate citizen in partnership with local communities. To achieve this, there must be close communication with the public and activities must be in keeping with social norms and expectations. Mizuho regards information disclosure as an essential part of its efforts to earn the understanding of society, and this is one of the areas in which the Group works actively to contribute to society and fulfill its social responsibilities. Mizuho has adopted the Operating Standards for Social Contributions and Environmental Issues as the standards for its continuing

social contribution activities. These standards are divided into seven program areas. Moreover, we review our activities based on a wide range of perspectives, including the level of contribution to the advancement of local communities, social significance recognized by the public, and creativity and progressiveness in relation to social issues.

Some types of social contribution are based primarily on economic support, such as donations, whereas others involve volunteer activities. Mizuho carefully monitors the implementation of its activities in both categories and is working to maximize the effectiveness of its contributions.

Although continuity is a basic part of our policy regarding these program areas, we will reflect changes in prevailing conditions in conducting our activities.

### Operating Standards for Social Contributions and Environmental Issues

#### 1. Program Areas

1) Youth development, 2) Social welfare, 3) Support for the arts, culture and academics, 4) International exchange, 5) Environmental preservation, 6) Financial literacy 7) Humanitarian activities

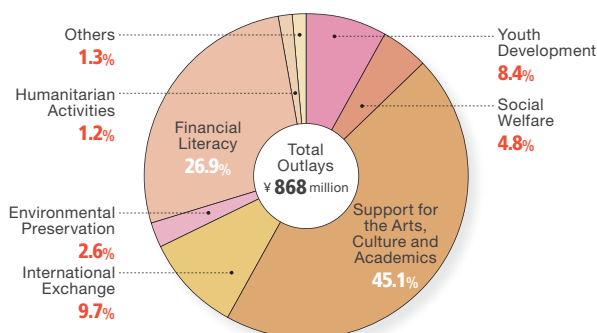
#### 2. Program Assessment Standards

- 1) Community contribution  
Whether the program contributes to the development of the local community.
- 2) Regional acceptance  
Whether the program substantially benefits society and whether it gains the widespread acceptance of the public.
- 3) Originality  
Whether the program is original and progressive with respect to social issues.

#### 3. Program Format

- 1) Independently planned programs
- 2) Support for the group's philanthropic foundations
- 3) Donations
- 4) Support for volunteer activities engaged in by officers and employees

FY2007 Corporate Citizenship Outlays



\* Outlays for initiatives that fall under two categories are split half and half between the two categories.



## Relationship with Local Communities BK CB TB SC IS RI IR

### Community-Rooted Social Contributions

As a community-based corporate member, Mizuho considers it important to have and deepen exchanges with local residents. Each location is actively committed to contributing to local communities jointly with municipalities and/or nonprofit organizations, as well as to original activities at the branch level. The Group promotes autonomous community-based initiatives at each location.

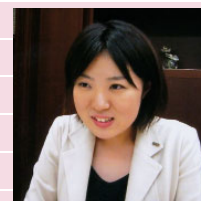
### Participating in Local Cleanup Activities

Mizuho Trust & Banking participates in local cleanup activities at all of its branches nationwide.

Approximately 20 employees from our Toyama Branch participate in cleanup efforts not only around the office

but also at a nearby park

every three months. We know that we are doing something worthwhile when local residents respond by saying, "You did a fine job, thank you." Such efforts make me feel more attached to the community.



Customer Consulting Section, Toyama Branch  
Mizuho Trust & Banking  
Yumi Tsuri

#### Local Contribution Activities in FY2007

Date of Event	Department/Location Participating	Activities
2007 April 29	Ginza-dori Branch of MHBK	Participated in making flower petal blocks for the Ginza Miyuki Dori Flower Carpet Festival.
May 3	Hamamatsu Branch of MHBK	Participated in the Hamamatsu Festival.
May 11	MHBK, MHCB, MHRI and MHIR with offices facing Midosuji Avenue	Participated in cleanup activities along Midosuji Avenue.
May 12	Kanda Branch, Kanda Corporate Banking Department, Yokoyama-cho Branch and Kobuna-cho Branch of MHBK	Participated in the Kanda Festival.
May 27	Local subsidiary of Dalian Branch of MHCB (China)	Participated in the Dalian International Walking Festival.
June 6	Toyohashi Branch of MHBK and Toyohashi Branch of MHIS	Participated in the 530 (Go-mi-zero, or trash-free) Campaign of Toyohashi. (photo on right)
September 7	Toyama Branch of MHTB	Participated in cleanup and beautification activities coordinated by a neighborhood association.
September 8	Kumamoto Branch of MHBK	Participated in the Kumamoto Castle 400th Fortification Anniversary Cleanup Campaign.
September 8	Shizuoka Branch of MHBK	Participated in the Clean Operation to clean up the downtown area of Shizuoka.
September 8	Hamamatsu Branch of MHBK	Participated in cleanup activities at the Nakatajima Sand Hill. (photo on right)
September 8	MHSC and Shinko Securities	Participated in the Tokyo Bay Cleanup Campaign. (photo on right)
September 17	Global Transaction Unit, MHCB	Assisted in operating the 2007 Green Ribbon Running Festival to disseminate information on medical transplants.
October 13	Toyama Branch of MHTB	Participated in Collecting Acorns in the Ranjo Forest.
October 13	Kitazawa Branch of MHBK	Participated in activities for the recycling of cloth and old clothing.
October 17	Kitazawa Branch of MHBK	Cooperated with a campaign to remove bicycles illegally parked in front of the railway station.
October 20	Seoul Branch of MHCB	Participated in the Japan-Korea People's Exchange Festival in Seoul.
October 20	Kitazawa Branch of MHBK	Participated in the Clean Walk 2007.
October 22	Kuki Branch of MHBK	Recognized publicly by the local police headquarters due to the promotion of local anticrime activities.
October 31	New York Branch, Chicago Branch, Atlanta Representative Office, Houston Representative Office and Los Angeles Agency of MHCB and MHCB of California	Staged the Mizuho U.S. Volunteer Day in the United States.
November 6	Kichijoji Branch of MHBK	Letter of Appreciation was received as thanks for opening its parking lots to the public on bank holidays.
November 10	MHSC and Shinko Securities	Conducted the Mt. Fuji Cleanup.
November 14	New York Branch of MHCB	Employees participated in meal preparation as volunteers. (photo on right)
November 18	Roppongi Branch of MHBK	Participated in the ROPPONGI CLEANUP.
November 24	Sapporo Branch of MHTB	Participated in cleanup activities for the championship parade of the Hokkaido Nippon Ham Fighters baseball team.
2008 January 11	Kobuna-cho Branch of MHBK	Held a Kagami-biraki ceremony, a local traditional event.
January 26	Sapporo Branch of MHTB	Participated in creating snow candles at the Yukiakari in Nakanoshima Park for the Sapporo Snow Festival.
March 12	Toyama Branch of MHBK	Participated in cleanup activities at the Yasuda Memorial Park.



The 530 (Gomi-zero, or trash-free) Campaign of Toyohashi



Employees who participated in the Tokyo Bay Cleanup Campaign



The cleanup activities at the Nakatajima Sand Hill



Volunteers preparing meals

## Supporting Employee Participation as Volunteers FG BK CB TB SC IR

Mizuho believes that contributing to local communities as a good corporate citizen is one of its social responsibilities. This belief is reflected in an active involvement in improving

the support and organizational systems so that employees of the group companies can participate in a wide range of volunteer programs.

### A Framework to Promote Employees' Participation in Social Contribution Activities

— The Mizuho Charity Fund

The Mizuho Charity Fund was established as a vehicle for social contribution activities by employees.

Participants make donations from their monthly salaries by deducting ¥100–¥300 to support various community causes. Funds are used to support welfare projects through our philanthropic foundations, to provide donations to victims of major disasters in Japan and overseas. In addition, funds are used to make grants to support volunteer programs in which our employees participate.



The aftermath of The Niigataken Chuetsu-oki Earthquake in 2007 (Source: Japanese Red Cross Society)

### Participating in a Natural Preservation Campaign for Woodlands

Employees are eager to participate in volunteer activities as a group. We have addressed this desire through our participation in several volunteer programs in which Mizuho employees are encouraged to participate. In fiscal 2007, we participated in the “Tokyo Greenship Action” campaign for which the aim is to preserve natural areas owned by the Tokyo Metropolitan Government. Fifty-five employees took part in activities such as undergrowth clearance at several natural woodland and green spaces.



Clearing undergrowth

### Calls for Volunteer Activities via the Intranet SC

MHSC has set up a message board on its intranet that may be used by employees to announce volunteer activities as an initiative to support the volunteer social contributions of employees. This avenue has led to such activities as “Presenting Picture Books to Children Hospitalized with Severe Diseases” and “Supplying Goods to Developing Countries in Africa.” Past activities and feedback from beneficiary persons and organizations are also available on the intranet.



Picture books presented to children hospitalized with severe diseases

## Youth Development



### Delivering Yellow Badges to First-Graders Nationwide for 44 Years

Take measures to avoid being involved in a traffic accident and safely walk to school everyday.

The Yellow Badge Traffic Safety Campaign began in 1965 after a newspaper published a letter written by a mother following the death of her child in a traffic accident. The letter asked for action to eliminate traffic accidents. By the 44<sup>th</sup> campaign in 2008, a cumulative total of 54.26 million badges had been distributed and a growing number of families now have two generations of badge wearers.

(Joint campaign organizers: Sompo Japan Insurance Inc., Meiji Yasuda Life Insurance Company and The Dai-ichi Mutual Life Insurance Company)



## Organization for the Arts, Culture and Academics

### Organizing the Coming-of-Age Day Concert Every Year

Mizuho has organized concerts on every Coming-of-Age Day since 1990. These concerts have the dual purpose of supporting young artists and encouraging young people to enjoy classical music. Young artists are given opportunities to perform, and 50 couples (100 adults who are coming of age) are invited to attend through a public offering every year.



An opera performance of Mozart's Don Giovanni at the Coming-of-Age Day Concert

In addition, Mizuho has cosponsored The World Festival of The Police Concert Band since 2004 and La Folle Journée au Japon music festival since 2005.

## Environmental Preservation

### Cosponsoring the Environmental Art Contest as an Opportunity to Stress the Importance of the Environment

Mizuho cosponsors the All-Japan Elementary and Junior High School Students' Environmental Art Contest, which is organized by the All-Japan Elementary and Junior High School Environmental Education Research Group. This contest is held every year to provide an opportunity for elementary and junior high school students throughout Japan to think about the importance of nature and the qualities that make a community a good place to live. There were



a total of 2,065 entries for both sections at the 11th contest in fiscal 2007.

Left: Akari Kishi won the Mizuho Special Award for the elementary school section  
Right: Mai Hasegawa won the Mizuho Special Award for the junior high school section

### Establishing a Biotope in an Elementary School Attached to Tokyo Gakugei University

Jointly with Tokyo Gakugei University, Mizuho held in 2007 a research project on environmental education using a biotope on school premises. As part of the joint research, we established a biotope on the rooftop of a building of the Takehaya Elementary School Attached to Tokyo Gakugei University.



## Humanitarian Activities

We made a donation of ¥ 10,406,184 (details: The Mizuho Charity Fund, donation by the employees of domestic offices and matching gift by Mizuho Financial Group Inc.) for disaster-relief of The Niigatoken Chuetsu-oki Earthquake in 2007 in Japan.)

MHBK has begun handling disaster-relief loans and applying preferential interest rates in its loan products for small and medium enterprises, and has opened a relief account in the name of the Japanese Red Cross Society.

## Promotion of Small and Medium Enterprises

Mizuho recognizes the importance of small and medium enterprises (SMEs) as the driving force for Japan's economic development. We have continually provided support for The Medium and Small Business Research Institute since its establishment in 1966. We assist the research institute with its empirical surveys and research and with its efforts to identify excellent companies throughout Japan for the Good Company Grand Prix Award program that it sponsors.



## Making Social Contributions through Philanthropic Foundations

As a good corporate citizen, Mizuho implements a wide range of social contribution initiatives through its philanthropic foundations in partnership with local communities. Our five philanthropic foundations in Japan

all have unique characteristics that are reflected in their support and grant-making activities in the fields of welfare for the aged, welfare for people with disabilities, education and international exchange.

### Mizuho Philanthropic Foundations in Japan

#### Mizuho Education Welfare Foundation

The Foundation provides grants for elementary and junior high school education, as well as for social welfare businesses. In the education field, the Foundation donates sports equipment and children's books to elementary and junior high schools and provides grants for children's research activities in remote areas, such as mountainous regions and islands. The Foundation also helps with grants to create opportunities for schoolchildren in remote regions to form friendships with children in the same grade, including those living in urban areas. In the social welfare field, the Foundation provides grants to voluntary organizations involved in welfare activities for the aged. It also uses grants to support research activities relating to welfare for the aged.



##### [Activities]

- Grants for volunteer organizations providing welfare services for the aged and general research relating to welfare for the aged
- Donations of compact electric delivery vehicles to groups delivering meals to the aged
- Donations of sports equipment and children's books to elementary and junior high schools in remote areas, such as mountainous regions and islands
- Grants for friendship learning and free research activities for children in elementary and junior high schools in remote areas
- Special needs education/research grants and grants of equipment to private special needs schools

<http://www.mizuho-ewf.or.jp/>

#### Mizuho Welfare Foundation

The Foundation offers support to institutions involved in welfare for people with disabilities and provides grants for innovative projects and research that will lead to improvements in welfare. Funding for visually impaired university students to cover the cost of translating textbooks into Braille has led to some students assisted by the Foundation entering elementary school teaching and other promising careers.



##### [Activities]

- Grants for businesses and research to welfare institutions for people with disabilities, organizations, etc.
- Donations of electric wheelchairs to institutions and groups for people with disabilities, and individuals with disabilities
- Grants to visually impaired university students to cover the cost of translating textbooks into Braille
- Donations of lift-equipped buses and minibuses to institutions for people with disabilities

<http://homepage3.nifty.com/mizuhofukushi/>

#### Mizuho International Foundation

The Foundation is actively committed to developing international exchange personnel such as the provision of scholarships, guidance and grants for foreign students in Japan and for Japanese students in Asia. Future plans include a symposium for overseas study alumni.



##### [Activities]

- Scholarships, guidance and grants for foreign students in Japan
- Scholarships for Japanese students in Asia
- Support for university-level international exchange seminars hosted by Japanese universities

<http://homepage1.nifty.com/fbifyume/>

#### Mizuho Foundation for the Promotion of the Sciences

The Foundation provides grants for high-quality research in the field of engineering to provide encouragement and support for the young people who hold Japan's future in their hands. It also runs essay competitions on themes relating to law and economics, and the winners receive study grants.



##### [Activities]

- Grants for engineering research
- Public offering of essay contests in the fields of law and economics

#### Mizuho Scholarship Foundation

The Mizuho Scholarship Foundation provides scholarship loans for university students and others who would otherwise be unable to continue their studies for economic reasons. Every two months, students in Tokyo attend individual interviews to report their progress and receive advice on various matters. The Foundation aims to give many talented people an opportunity to see the world through these support activities.

##### [Activities]

- Scholarship loans for university students, etc.



## Overseas Examples CB

### The Americas

In October 2007, MHCBC held its annual Mizuho USA Volunteer Day in the United States. A total of 125 employees volunteered for the Bank's nationwide day of community service. Bank office personnel organized a wide range of activities including painting shelters for the homeless in New York City, supporting UNICEF in Houston, distributing food and clothing and offering a financial literacy program to the homeless in Los Angeles, as well as similar activities in Chicago, Atlanta and San Jose. In addition to the volunteer activities held on this special day, staff in several Mizuho offices volunteer year-round for varied community service activities such as the support of food distribution by non-governmental organizations (NGOs) to the aged, reading to schoolchildren, and a charity walk.

### Europe

Employees of the London Branch of Mizuho Corporate Bank participate and support a variety of social contribution programs such as the Christmas support program for the homeless and support activities for people with disabilities.

In July 2007, 38 volunteers wearing t-shirts with the



MIZUHO logo participated in a charity event by running in the "JP Morgan Chase Challenge" held at the Battersea Park in London with approximately 13,000 participants.

### Asia

The Hong Kong Branch of Mizuho Corporate Bank received a social contribution award from the Hong Kong Council of Social Service, which is the largest nonprofit organization in Hong Kong, for the fourth consecutive year. The award was in recognition of initiatives organized by the Hong Kong Branch, including visits to rest homes and the provision of food supplies stockpiled in preparation for disasters to charitable organizations.

In late January 2008, just before the Chinese New Year, the Shenzhen Branch of Mizuho Corporate Bank (China) donated 180 clothing items and 60 pairs of shoes and books to a remote mountain area in Guizhou Province in cooperation with the Guangdong Province Welfare Support Center.

### Social Contribution Activities Overseas by Foundations

Mizuho USA Foundation is the Mizuho's core organization for social contribution activities in the United States. MHCBC has also established foundations and funds in several Asian countries to provide scholarships for youth development and other purposes.

Mizuho Philanthropic Foundations and Funds Overseas

Country/Region	Foundation/Fund	Activities	Initiatives in Fiscal 2007
United States	Mizuho USA Foundation	The mission of Mizuho USA Foundation is to provide grants for community support and revitalization in urban areas. Grants are given to nonprofit organizations working to support low-income communities through various projects, including job training, the provision of housing and community development.	The Foundation made grants totaling approximately US\$745,000 for 18 programs to nonprofit organizations in New York, Los Angeles and San Jose. The organization also donated US\$43,607 to match donations made by employees.
China	University of International Business and Economics (Mizuho Foundation)	A fund to support the education of young students who plan to work in China's financial industry.	Held the Second Mizuho Foundation Finance Seminar and gave lectures concerning finance and the environment to teachers and students at local institutions.
China	Mizuho Incentive Funds	To support basic education in China, Mizuho Corporate Bank established the Mizuho Incentive Fund in fiscal 2006 for three schools: the junior high schools affiliated with Renmin University of China, Peking University and Tsinghua University.	The first scholarship, totaling 400,000 yuan, was provided to the selected students and teachers at the three schools to start the scholarship system over a 10-year period.
Hong Kong	Mizuho & Wing Hang Bank Scholarship and Charity Funds	A fund to provide scholarships to university students in Hong Kong	Granted a total of HK\$120,000 to 12 students at five universities.
Taiwan	Mizuho Aishin Charity Fund	A fund to primarily provide support in the areas of education, medicine and social welfare	Donated a vehicle to the First Social Welfare Foundation to support administration.
Thailand	Charitable Trust Mizuho Asia Fund	A charitable trust that supports the healthy development of local human resources who will assume the role of improving the social infrastructure in Southeast Asian countries.	Provided a total of US\$58,770 for businesses such as scholarships for 30 university students and a grant for educational materials to 47 elementary and junior high schools.

### Action Plans

Mizuho will endeavor to make further effective contributions to community activities. Moreover, the Group will encourage the continuing volunteer activities of employees to enhance its social contribution in local communities.

### Web

Please refer to <http://www.mizuho.fg.co.jp/english/csr/communication/local/> for more detailed information.

## Mizuho's CSR Activities Are Steadily Progressing

**Hashimura:** I have engaged in CSR activities for one year and have taken into account the opinions received at last year's Dialog. Please see the table on page 48 for the progression of main themes.

**Ito:** I attended last year's Dialog and provided some opinions. Understanding that such opinions were accepted and reflected in Mizuho's improvement efforts makes me feel that it is worthwhile to provide opinions. I acknowledge that CSR activities have been steadily spreading and progressing.

**Fujii:** I believe Mizuho's CSR activities have been progressing steadily. What's important is to realize that each and every CSR activity should be interconnected, and I think Mizuho has reached that stage. I expect much from their future development.

## Financial Education Growing within the Field of Education

**Murakami:** The issue with financial education is connecting with local communities. After listening to opinions from those in the field of education, it will be our medium-term theme to create a system that enables job experience and

classes at Mizuho locations throughout the country.

**Sonoda:** The issue is about turning dots into a line and expanding it into a plane. I await such a development and would like to see wider use of teaching materials made through collaboration with Tokyo Gakugei University. In addition, as part of the ongoing changes in educational guidelines, the use of such terms as finance and currency has increased slightly. Given this trend, I hope that teachers will be encouraged to provide financial education during their classes.

**Watanabe:** "The Free Education policy" was abolished, and a teaching certificate renewal system was introduced. Given such changes in the field of education, in what way will financial education be infused? That is the issue this year. Currency is a social symbol—an abstract entity based on trust and credit. We are in an age when we can live without money in our wallets. The emergence of various types of cash flow directions has made money increasingly abstract. To address this trend, I think the educational value of financial education is increasingly significant.

**Sonoda:** If schools depend too much on lectures by staff of financial institutions for financial education, school teachers will lose their sense of responsibility. Many teachers feel that they don't know much about finance. To change this, we need to increase opportunities to provide them with motivation and knowledge.

**Watanabe:** I regard financial education as a kind of economy-related education. It is meaningful to teach

# DIALOGUE

The Third Stakeholder Dialog

## CSR Activities of Mizuho

### What Role Should Mizuho Fulfill?

Experts from each industry provided opinions on important themes set forth by Mizuho such as financial education and the environment.

(As of May 27, 2008)



**Kunio Ito**  
Professor, Graduate School of  
Commerce and Management  
Hitotsubashi University



**Toshihiko Goto**  
Representative Manager,  
Environmental Auditing  
Research Group



**Kozo Sonoda**  
Leader, Plaza for Financial Education  
The Central Council for Financial  
Services Information

how a society is made. When work experience; work learning is provided for youngsters, I hope that they should be developed basic attitude for becoming socially autonomous by explaining economic flows and financial institutions' roles in a community and by letting them see real working adults, rather than teaching specialized knowledge about money or banks. I also think the intrinsic function of education is to develop human resources to create future society. Although industries expect the educational field to nurture human resources that can address change, there seems to be a gap in the way of thinking between industries and the educational field in developing those human resources. Communication and cooperation are essential to eliminate this. As subtle as such activities may be, I hope for further development of activities to support financial education. Mizuho became the first to give financial education to students in need of special support, having started last year. Please continue such efforts.

**Ito:** The purpose of financial education is to teach what impact cash flows have on the economic system. In "nurturing human resources with high-level financial knowledge," it is important to teach university students and graduate students what influences new financial products or schemes may have on the economy or corporate activities and what changes this may bring. I hope such education can occur.

**Fujii:** Financial education is part of CSR activities. It is important to continue such activities and to connect them to Mizuho's own purpose of enhancing its corporate value.

## Mizuho Is Expected to Lead the Environmental Economy

**Goto:** The framework after 2012 of the Kyoto Protocol is being discussed throughout the world. The discussion at the Bali conference held at the end of last year clearly showed a breakthrough in the form of a roadmap for a future climate change deal, although that change is not recognized in Japan. Looking at the current situation, I believe we must rely on corporations to achieve progress. In Japan, regulations are still regarded as restrictions. European governments



and advanced U.S. companies view efforts for the climate change as business opportunities. Given that finance is the base of an economic society, I hope that Mizuho would address the climate change with new perspectives.

To reduce global greenhouse gas emissions by half globally by 2050, developed countries must achieve an 80%–90% reduction. If greenhouse gas reduction is assumed to be an issue for an economic society, what will financial institutions do to help achieve this 80%–90% reduction?

**Fujii:** We are in an age when corporations cannot survive without environmental considerations in their core businesses, and they are faced with the challenge of environmental management from a global perspective. Financial institutions are not an exception. They are required by society to address the environment in their core financial businesses. The time will soon come when the environment becomes a credit risk for companies. Companies will not be competitive without an environmental risk/liability evaluation system and human resources. Major European and U.S. financial institutions have already started to develop strategies from such viewpoints as financing for environmental consideration, emissions trading, and establishing a carbon fund. Japanese financial institutions are behind in this regard.

**Goto:** As far as I know, Mizuho Corporate Bank is the front runner to adopt the Equator Principles in Japan. To reinforce the environmental risk evaluation, the know-how gained from the experiences with the Equator Principles will be useful.



**Yoshihiro Fujii**  
Professor, Graduate School of  
Global Environmental Studies,  
Sophia University



**Mieko Watanabe**  
Visiting Associate Professor,  
Tsukuba University  
General Manager,  
Career Support Office



**Masanori Murakami**  
Executive Officer,  
General Manager of Corporate  
Communications,  
Mizuho Financial Group



**Akihiko Hashimura**  
Head of CSR Promotion Office,  
Corporate Communications,  
Mizuho Financial Group



**Murakami:** Mizuho not only supports environmentally friendly businesses and assists the businesses that it finances with their environmental evaluation, but also helps its business partners address environmental issues. Many core and small- and medium-sized companies don't know what to do even though they have some awareness. Mizuho started to provide a "business matching (customer introduction)" service to introduce them to environmental business operators with the relevant know-how.

**Watanabe:** As a citizen, I have a keen sense of crisis concerning global warming, but I don't know what to do. It may be the same case with the small- to medium-sized companies. I think educational activities and partner introductions are meaningful.

**Ito:** I think changing cash flows can create commodity flows toward environmental improvements. Japan is in an advanced position in environmental technology. I wish Japan's environmental economy would become the world leader, which would provide Japan with a competitive edge in the 21<sup>st</sup> century. In this sense, I am counting on Mizuho's leadership.

## Volunteer Activities Energize Employees

**Ito:** Employees come back from volunteer activities feeling energized. Experiencing aspects of society that they do not encounter in their ordinary workdays enables them to view their occupation from a different perspective. Volunteer activities are a social contribution, but in reality they are also a contribution to the volunteers themselves.

**Goto:** Companies with employees who attend our workshops are generally energetic. People who do only company jobs tend to have their personal world become smaller and smaller, which also deteriorates their value as a human resource. I hope volunteer activities are understood as opportunities for interacting with society. It might be good if companies were to have a system for evaluating what employees do outside their occupation.

**Fujii:** Better human resources could be nurtured or recruited from outside the company if taking time off for volunteer activities, or letting subordinates do so, was added to the evaluation of superiors. Nurturing well-balanced human resources and improving the working environment are essential for the sustainable growth of companies in the long run.

**Sonoda:** I promise that employees wishing to offer financial education can do so as a volunteer activity. There may be some employees who want to teach students. Dispatching them to schools might establish good relationships.

**Watanabe:** It might be good to visit the school from which one graduated and help to teach there.

## Environmental and Financial Education Efforts also Energize the Company

**Goto:** Although companies that center on office-type work often say that their businesses have a minimal

Principal Initiatives in Response to Issues Raised at Last Year's Dialog Meeting

Issues Raised at Last Year's Dialog Meeting		Initiatives for 2007
Environmental businesses	Adoption of environmental assessments of clients for determining whether to lend them money	<ul style="list-style-type: none"> <li>● Adoption of the Equator Principles and carbon accounting</li> <li>● Reinforce environmental loan products and services</li> </ul>
Financial education	Development of a general-purpose program	<ul style="list-style-type: none"> <li>● Preparation of a "Teaching Plan" for teachers that corresponds to textbooks</li> <li>● Preparation of DVDs to explain the content taught in classes</li> </ul>
Human resources	Promotion of employees' participation in volunteer activities	<ul style="list-style-type: none"> <li>● Promotion of volunteer activities</li> <li>● Introduction of employees who conduct volunteer activities</li> <li>● Provision of a vacation for volunteer activities</li> </ul>
	Adoption of CSR activities for human resource evaluation	<ul style="list-style-type: none"> <li>● Use of an award system to publicly praise employees and departments that conduct social contribution activities</li> </ul>
Others	Implementation of support for welfare business through consulting	<ul style="list-style-type: none"> <li>● Implementation of support through consulting via the Mizuho foundation</li> </ul>
	Cooperation with university students on CSR activities	<ul style="list-style-type: none"> <li>● Discussion on accepting student interns</li> </ul>



environmental impact, I would like to change this perspective because all of us are responsible for the environment. Efforts to reduce environmental impact can also be used in corporate vitalization. To realize the long-term goal of reducing the environmental impact by 50%–80%, short- to medium-term goals with a new sense of value are required. It is expected that the vitalization of a company would be linked to this change in value.

**Ito:** In the environmental business, if including information on environmental measures becomes mandatory in all assessments for determining whether to lend money, that would require the assessment of financial institutions, piquing the interest of employees. I wonder which financial institution will be the first to address this issue. I am looking forward to it.

**Goto:** Teaching others leads to self-education, and that is the case with financial education. To give a lecture on financial education, one needs a deep understanding of financial matters. How many employees understand the businesses of their company? Having more employees with a deeper understanding of their business leads to a company's competitive edge.

**Ito:** Business performance in Japanese companies has been recovering recently, even though it is not always the case that their employees are energetic or enthusiastic. In fact, there is a sense of weariness and stagnation. Something should be done about this. Proactive participation in CSR activities throughout the company could help leverage the enthusiasm of employees.

## To Nurture Human Resources Who Can Change the Status Quo and Enable Real Market Creation

**Ito:** I hope Mizuho will achieve real market creation. Real market creation is a phrase often used, but the reality is that there aren't many such examples and companies are simply robbing shares from each other. This does not



expand an economic pie. There is likely some sense that environmental or ecological domains are not profitable, which must be changed. It is a matter related to education. I expect companies to nurture the human resources who can initiate a breakthrough.

**Watanabe:** I also think that Japan's economy might collapse if it does not change some critical aspects of the current situation.

**Goto:** I think market creation is the most important future issue. Internally in Japan, the most important role of financial institutions is to energize communities. To create markets and new value internally and globally, including addressing the climate change, high-level financial knowledge and human resources are required. I think Japan is behind in this regard. The company that has the most human resources with high ethical values who can create real markets will have a competitive edge.

**Murakami:** Today, we heard valuable opinions and your expectations for Mizuho. On these issues, I regard it important to always get back to the basics, review them and proceed to the next step. We would like to accelerate activities steadily and creatively.

Thank you for your participation.

## We held the First Employee Dialog on February 20, 2008.

To get feedback from employees on their concept of CSR activities, thereby learning effective ways to promote such activities, we held the First Employee Dialog inviting eight employees from five companies within the Group. We intend to continue to provide opportunities for discussion with employees.

### Opinions from the employees who attended the Dialog

- We should participate in CSR activities more actively because such activities enhance corporate value.
- Continual in-house training is needed to further disseminate CSR activities in the Group.
- I hope that opportunities will be increased for volunteer activities and environmental impact reduction activities in which employees can participate.
- I hope that information on the environmental efforts of the Group will be dispatched more proactively.

## Third-Party Opinion



Professor,  
Graduate School of Commerce and  
Management,  
Hitotsubashi University

### Kunio Ito

Reading Mizuho Financial Group CSR Report 2008, I was struck by the fact that overall, the photographs have been skillfully laid out, while the writing style is simpler and easier to read than earlier reports. It is clear to me that the production team was keen to encourage people to read the publication. Recently, the number of companies publishing CSR reports has increased, but I get the impression that a surprisingly small number are easy to read, let alone interesting.

My overall opinions of the Mizuho Financial Group's CSR activities as described in this report are outlined below.

First, I am impressed that the group's CSR promotion activities are sustained and becoming more vigorous. Based on the Equator Principles, the group continues to provide project finance for environmental initiatives. It also continues with its financial education programs for elementary and secondary school pupils, as well as university students. Moreover, using overseas branches has made it possible to extend the scope of these educational activities to Japanese students overseas and foreigners. The dialog with stakeholders also continues. I get the impression that the opinions voiced by participants in the dialog are taken very seriously and enthusiastically used for improving CSR activities.

Another thing that has particularly impressed me this year is that officers and employees are more involved in CSR activities and volunteer activities, while participation is being expanded through human

resources development programs. I give this second feature high marks, too. Officers and employees are particularly important stakeholders when it comes to promoting CSR. I know of numerous cases where officers and employees who participate in CSR and voluntary activities derive energy from this and bring a fresh new feeling to tackling their usual work. I find it enjoyable just to recall images of management and staff working together and involving people from the local community in CSR activities.

For this very reason, I'd like to see more officers and employees from Mizuho Financial Group participate in CSR and volunteer activities. I therefore urge the company side to redouble the efforts and ingenuity they devote to ensuring that officers and employees are aware of the benefits.

The way money flows has enormous potential to change the flow of an economy. A huge financial institution has the ability to influence the flow of money. Mizuho Financial Group's initiatives for dealing with environmental issues are powerful enough to trigger improvements in the serious environmental problems facing the world right now. In that sense, I'd like to see the group adopt broader initiatives in the area of environmental finance. In the sense that environmental finance can engender financial products of a type that's never been seen before, it has the potential to lead to true market creation rather than zero-sum competition. I have high hopes that group will exercise true leadership in market creation.

## Editorial Policy

This report concerns the group's activities in the area of corporate social responsibility (CSR). The objective is to improve communications with our many stakeholders by reporting on the group's thinking, policies, plans and initiatives in the area of CSR, and to provide further impetus for our CSR activities in the future.

In preparing this report, reference was made to GRI's "Sustainability Reporting Guidelines" and "Financial Services Sector Supplement." We have also taken into consideration the views expressed by a great many of our stakeholders in our attempts to make this report easier to read and

understand.

From this year, we have endeavored to convey more appropriate and more ample information to our stakeholders by concentrating more on disclosing information through our website and including more detailed information and data. The content is the result of deliberations by the CSR Committee and final decisions by the President.

For detailed financial information, including initiatives for risk management and improved asset quality, please refer to the Annual Review.

### GRI "Sustainability Reporting Guidelines" (GRI Guidelines)

Mizuho complies with the GRI Guidelines, using them to gauge the progress of our information disclosures and assure comparability with other companies' reports.

Please refer to <http://www.mizuho-fg.co.jp/english/csr/report/gri.html> for a comparative table of the GRI Guidelines.

\* GRI stands for Global Reporting Initiative. It is an international organization established in 1997 to create globally applicable guidelines relating to sustainability reports issued by corporations and other bodies.



This report conforms to Report Application Level B as defined by the GRI "Sustainability Reporting Guidelines."

### Scope of Selected Terms:

Unless otherwise stated, "the group," "Mizuho" and any "first-person" narrative refers to 13 companies. Although there have been no significant changes in the companies covered compared with last fiscal year, a merger did take place between companies within the group, with the result that the number of companies covered by this report fell from 14 last fiscal year to 13 this fiscal year. In addition, some companies were subjected to name changes.

### Description:

#### "The group," or "Mizuho"

Mizuho Financial Group (MHFG) and its 12 principal banking subsidiaries and other core group companies in Japan: Mizuho Bank (MHBK), Mizuho Corporate Bank (MHCB), Mizuho Trust & Banking (MHTB), Mizuho Securities (MHSC), Mizuho Investors Securities (MHIS), Trust & Custody Services Bank, Mizuho Asset Management (MHAM), DIAM (DIAM), Mizuho Research Institute (MHRI), Mizuho Information & Research Institute (MHIR), Mizuho Financial Strategy, and Mizuho Private Wealth Management. (The abbreviations in parentheses are used in titles to indicate the group companies involved in independent initiatives.)

### Mizuho Financial Group (MHFG)

Refers to Mizuho Financial Group, Inc. on a non-consolidated basis.

### Employees

A collective designation for all employees working for the group in Japan and overseas, excluding non-regular and temporary employees.

### Period Covered:

This report covers the period from April 1, 2007 to March 31, 2008. However, it also includes information on significant events since April 2008.

### Publication Information:

Next scheduled publication date: September 2009 (Previous publication date: November 2007, frequency: annual)

### Cover



Title: Shirahama (White Beach)  
Artist: Mishiharu Saotome

A mountain range encroaches on a uniquely elegant coastline where a grove of fresh green pines grows near the white sand beach. Referred to affectionately as the "coastline of white sand and green pines" from ancient times, this beautiful natural site has long been cherished...

As a professional lighting the way to a bright future, Mizuho aims to be a financial partner that contributes to a better future for its customers by ensuring that future generations inherit a healthy global environment, and children can live a life full of hope.

### About the Website Version of the Mizuho Financial Group CSR Report 2008

The website version of "Mizuho's CSR" includes the full content of the printed version plus more detailed information. To improve access to related information, we have included hypertext links. Please use the links included on each two-page spread of the printed version to access the relevant websites. Mizuho's CSR (<http://www.mizuho-fg.co.jp/english/csr/index.html>)

### Comments and inquiries regarding this report should be directed to:

Mizuho Financial Group, Inc.  
CSR Promotion Office, Corporate Communications  
81-3-5224-1111 (reception)  
<http://www.mizuho-fg.co.jp/english/>  
Marunouchi 2-chome Building,  
2-5-1, Marunouchi, Chiyoda-ku, Tokyo, 100-8333



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